











































































































































































































## BCBC Critique of the CleanBC Plan

### BACKGROUND:

- BCBC has published a critique of the Province's CleanBC plan, suggesting that the climate plan will result in \$28B in foregone GDP growth in 2030 and lead to declines in real per capita income.
- The Province's modelling of the CleanBC plan assesses the impact of climate commitments made in the *Roadmap to 2030*, including policies that are yet to be developed. The modelled CleanBC scenario is compared against a modelled counterfactual reference scenario, which does not include any CleanBC policies.
  - It is important to recognize that the reference scenario is a counterfactual used for policy analysis, but it cannot exist in the real world because many CleanBC policies have already been implemented and because a scenario where B.C. does not take climate action is incompatible with the Province's GHG reduction goals.
- The Province relies on Navius Research to complete the CleanBC modelling. Navius' model is a sophisticated computable general equilibrium model that can assess climate policy impacts on greenhouse gas emissions, the broader economy, energy consumption and technology adoption. Like any analytical tool, it cannot completely capture the complexity of B.C.'s open economy or predict the future.
  - This type of modelling won't account for the benefits of new economic opportunities that emerge in B.C. as a result of the CleanBC plan. It also will not account for the economic benefits (or avoided costs) of limiting climate change impacts in B.C. These unknowns cannot be adequately assessed with modelling.

s. 13

### KEY FACTS:

- Coming out of the pandemic, B.C.'s GDP grew by 6% in 2021 over 2020 while emissions rebounded by only 1%. The Canadian average was GDP growth of 5% and an emissions rebound of 2%.

s. 13

## **DISCUSSION:**

### *Modelling Assumptions*

- Crucial to interpreting the CleanBC GDP results is an understanding of the assumptions used in the modelling.
- For economic growth, the model is calibrated to the GDP growth forecast provided in *Budget 2022* for the period 2020-2025, which reflects average annual GDP growth of 2.4 percent.
- However, from 2025-2030 GDP growth is calibrated to a forecast from the Parliamentary Budget Officer (PBO), which reflects a conservative annual average growth forecast of 1.3 percent.
- The reason the PBO's forecast was used is simply that the GDP growth forecast in *Budget 2022* is a short-term forecast that only extends five years into the future.
- GDP growth in the modelling is heavily affected by this assumption rather than solely being driven by climate policy impacts, as BCBC suggests.



**From:** Naji, Mehdi JEDI:EX(Mehdi.Naji@gov.bc.ca)  
**To:** Wallace, Bianca M JEDI:EX (Bianca.Wallace@gov.bc.ca); Szkudlarek, Zuzanna JEDI:EX (Zuzanna.Szkudlarek@gov.bc.ca); Ali, Nasser JEDI:EX (Nasser.Ali@gov.bc.ca); Williams, Jennifer JEDI:EX (Jennifer.Williams@gov.bc.ca)  
**Subject:** RE CTAP GDP implications  
**Sent:** 11/20/2023 21:39:24

Hello,

I thought you might find this email helpful. It includes a quick rule-of-thumb estimation of the GDP impact of the CleanBC plan that I had done when I was still new to the team.

Thanks, Mehdi

---

**From:** Naji, Mehdi JEDI:EX  
**Sent:** Wednesday, September 13, 2023 10:28 AM  
**To:** Williams, Jennifer JEDI:EX <Jennifer.Williams@gov.bc.ca>  
**Cc:** Szkudlarek, Zuzanna JEDI:EX <Zuzanna.Szkudlarek@gov.bc.ca>  
**Subject:** Comments on the ENV Net Zero for New Industry RFL

Hi Jennifer,

Hope you are doing well.

Below, you'll find my comments on the *ENV Net Zero for New Industry RFL*. I hope you find them useful.

Just want to make it clear that these are just my initial thoughts after going through the document. I'm aware that my choice of words or writing style might need improvements. Also, I'm not entirely sure how relevant my comments are. That being said, if needed, I'm totally up for an e-discussion whenever you're ready.

Best,

**Mehdi Naji** (he/him)  
Senior Policy Analyst | Economic Strategy Branch  
Sustainable Economy Division  
Ministry of Jobs, Economic Development and Innovation

**Comments on the *ENV Net Zero for New Industry RFL*:**

s. 12, s. 13



**From:** Norton, Jade JEDI:EX(Jade.Norton@gov.bc.ca)  
**To:** Lesiuk, Tim JEDI:EX (Tim.Lesiuk@gov.bc.ca)  
**To:** Grbavac, Danielle JEDI:EX (Danielle.Grbavac@gov.bc.ca); Zhang, TingTing JEDI:EX (TingTing.Zhang@gov.bc.ca)  
**Subject:** BCBC CleanBC article  
**Sent:** 08/23/2023 00:18:51  
**Attachments:** BCBC Critique of CleanBC.docx, MLA Stone's Public Comments.docx

Hi Tim,

Please see attached for a summary of components involved in Jock Finlayson's recent critique of CleanBC/Economy ([Business Council of British Columbia | Government's own modelling... \(bcbc.com\)](#) ). The summary aligns directly with the communications and key messaging our colleagues at CAS are producing – much of the technical information included was received directly from them. s. 13

s. 13

The approach is to provide KMs to various

DMs who will be doing introductory meetings with new head of BCBC in the coming weeks.

I have also attached a summary of the recent Kamloops radio interview with MLA Todd Stone where he criticized the Province's handling of economic strategy, particularly public service employment. If you would like some analysis to accompany/support/refute his comments, please let me know.

Note that the Economic & Regulatory Analysis Branch (Angelo's team) is producing a note on MLA Stone's comments, but nothing on the BCBC article.

Hope these are useful to you and let me know if you have any questions or concerns.

Thanks,

Jade

**Jade Norton**

Director, Analysis

Economic Strategy Branch

Sustainable Economy Division

Ministry of Jobs, Economic Development & Innovation

*Respectfully acknowledging that I live and work in the unceded traditional territories of the Lekwungen peoples, known today as the Songhees and Esquimalt First Nations.*

*NOTICE: This email message, including any attachments, is confidential, subject to copyright and may be privileged. Any unauthorized use or disclosure is prohibited. AVIS: Le présent message, incluant toute pièce jointe, est confidentiel, protégé par des droits d'auteur et peut contenir des renseignements privilégiés.*

*L'utilisation ou la communication non autorisée de ces renseignements est interdite.*

## BCBC Critique of the CleanBC Plan

### BACKGROUND:

- BCBC has published a critique of the Province's CleanBC plan, suggesting that the climate plan will result in \$28B in foregone GDP growth in 2030 and lead to declines in real per capita income.
- The Province's modelling of the CleanBC plan assesses the impact of climate commitments made in the *Roadmap to 2030*, including policies that are yet to be developed. The modelled CleanBC scenario is compared against a modelled counterfactual reference scenario, which does not include any CleanBC policies.
  - It is important to recognize that the reference scenario is a counterfactual used for policy analysis, but it cannot exist in the real world because many CleanBC policies have already been implemented and because a scenario where B.C. does not take climate action is incompatible with the Province's GHG reduction goals.
- The Province relies on Navius Research to complete the CleanBC modelling. Navius' model is a sophisticated computable general equilibrium model that can assess climate policy impacts on greenhouse gas emissions, the broader economy, energy consumption and technology adoption. Like any analytical tool, it cannot completely capture the complexity of B.C.'s open economy or predict the future.
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s. 13

### KEY FACTS:

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s. 13

## **DISCUSSION:**

### *Modelling Assumptions*

- Crucial to interpreting the CleanBC GDP results is an understanding of the assumptions used in the modelling.
- For economic growth, the model is calibrated to the GDP growth forecast provided in *Budget 2022* for the period 2020-2025, which reflects average annual GDP growth of 2.4 percent.
- However, from 2025-2030 GDP growth is calibrated to a forecast from the Parliamentary Budget Officer (PBO), which reflects a conservative annual average growth forecast of 1.3 percent.
- The reason the PBO's forecast was used is simply that the GDP growth forecast in *Budget 2022* is a short-term forecast that only extends five years into the future.
- GDP growth in the modelling is heavily affected by this assumption rather than solely being driven by climate policy impacts, as BCBC suggests.

## Notes: MLA Stone's Public Comments

s. 13

**From:** Naji, Mehdi JEDI:EX(Mehdi.Naji@gov.bc.ca)  
**To:** Williams, Jennifer JEDI:EX (Jennifer.Williams@gov.bc.ca)  
**Subject:** RE: Comments on the ENV Net Zero for New Industry RFL  
**Sent:** 09/15/2023 20:54:42

Hey Jennifer,

Here are the comments I can add after today's meeting. I hope it helps.  
s. 12, s. 13

Please let me know if I can be more of help.

Cheers,  
Mehdi

---

**From:** Williams, Jennifer JEDI:EX <Jennifer.Williams@gov.bc.ca>  
**Sent:** Thursday, September 14, 2023 10:00 AM  
**To:** Naji, Mehdi JEDI:EX <Mehdi.Naji@gov.bc.ca>  
**Subject:** RE: Comments on the ENV Net Zero for New Industry RFL

Hello – in advance of our discussion and building on some of the point you have raised, here are my notes on this RFL.

Comments/Questions:  
s. 12, s. 13

Secretariat notes:  
s. 12, s. 13

Cheers,  
Jenny

---

**From:** Naji, Mehdi JEDI:EX <Mehdi.Naji@gov.bc.ca>  
**Sent:** Wednesday, September 13, 2023 10:28 AM  
**To:** Williams, Jennifer JEDI:EX <Jennifer.Williams@gov.bc.ca>  
**Cc:** Szkudlarek, Zuzanna JEDI:EX <Zuzanna.Szkudlarek@gov.bc.ca>  
**Subject:** Comments on the ENV Net Zero for New Industry RFL

Hi Jennifer,

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Below, you'll find my comments on the *ENV Net Zero for New Industry RFL*. I hope you find them useful.

Just want to make it clear that these are just my initial thoughts after going through the document. I'm aware that my choice of words or writing style might need improvements. Also, I'm not entirely sure how relevant my comments are. That being said, if needed, I'm totally up for an e-discussion whenever you're ready.

Best,

**Mehdi Naji** (he/him)  
Senior Policy Analyst | Economic Strategy Branch

**Comments on the *ENV Net Zero for New Industry RFL*:**

s. 12, s. 13



**From:** Grbavac, Danielle JEDI:EX(Danielle.Grbavac@gov.bc.ca)  
**To:** Ali, Nasser JEDI:EX (Nasser.Ali@gov.bc.ca)  
**Subject:** PDF  
**Sent:** 09/29/2023 17:55:00  
**Attachments:** BC OBPS Report.pdf

Danielle Grbavac, MSc., Executive Director (she/her)  
Economic Strategy Branch  
Ministry of Jobs, Economic Development & Innovation  
M (250) 818-4877 | O (778) 698-4892  
[StrongerBC Economic Plan](#)

*We acknowledge with gratitude all Indigenous Peoples on whose territories we live, learn and work. We honour their ongoing connection to the land and respect the importance of the diverse teachings, traditions and practices within these territories.*



















































































**From:** Williams, Jennifer JEDI:EX(Jennifer.Williams@gov.bc.ca)  
**To:** Wallace, Bianca M JEDI:EX (Bianca.Wallace@gov.bc.ca)  
**Subject:** Comments s. 12  
**Sent:** 09/14/2023 21:05:04

Hello – in advance of our discussion here are my notes on this RFL.

**Summary:**

s. 12, s. 13

**Comments/questions:**

s. 12, s. 13

s. 12, s. 13

Cheers,  
Jenny



**From:** Wallace, Bianca M JEDI:EX(Bianca.Wallace@gov.bc.ca)  
Szkudlarek, Zuzanna JEDI:EX (Zuzanna.Szkudlarek@gov.bc.ca); Naji, Mehdi JEDI:EX  
**To:** (Mehdi.Naji@gov.bc.ca); Williams, Jennifer JEDI:EX (Jennifer.Williams@gov.bc.ca);  
Ali, Nasser JEDI:EX (Nasser.Ali@gov.bc.ca); Castaneda, Tanya JEDI:EX  
(Tanya.Castaneda@gov.bc.ca)  
**To:** Grbavac, Danielle JEDI:EX (Danielle.Grbavac@gov.bc.ca)  
**Subject:** Good job team!  
**Sent:** 11/23/2023 18:21:52  
**Attachments:** ADMCE Annotated Agenda 2023-11-23.docx

Sharing some praise from ADM Rachel Holmes who is chairing ADMCE today. Thank you all the for your great research, analysis and coordinating efforts!

---

**From:** Holmes, Rachel MUNI:EX <Rachel.Holmes@gov.bc.ca>  
**Sent:** Thursday, November 23, 2023 10:12 AM  
**To:** Wallace, Bianca M JEDI:EX <Bianca.Wallace@gov.bc.ca>; Lesiuk, Tim JEDI:EX <Tim.Lesiuk@gov.bc.ca>  
**Cc:** Wempe, Sarah MUNI:EX <Sarah.Wempe@gov.bc.ca>  
**Subject:** RE: Updated ADMCE Annotated Agenda

BTW Bianca,

These are really excellent notes and overview you provide – really helpful.

Rachel Holmes

Assistant Deputy Minister  
Immigration Services and Strategic Planning  
Ministry of Municipal Affairs

[rachel.holmes@gov.bc.ca](mailto:rachel.holmes@gov.bc.ca)  
250.589.0678

---

**From:** Wallace, Bianca M JEDI:EX <Bianca.Wallace@gov.bc.ca>  
**Sent:** Thursday, November 23, 2023 10:04 AM  
**To:** Holmes, Rachel MUNI:EX <[Rachel.Holmes@gov.bc.ca](mailto:Rachel.Holmes@gov.bc.ca)>; Lesiuk, Tim JEDI:EX <[Tim.Lesiuk@gov.bc.ca](mailto:Tim.Lesiuk@gov.bc.ca)>  
**Cc:** Wempe, Sarah MUNI:EX <[Sarah.Wempe@gov.bc.ca](mailto:Sarah.Wempe@gov.bc.ca)>  
**Subject:** Updated ADMCE Annotated Agenda

Hi Rachel,

MOTI has pulled the s. 12

RFD from today's meeting:

s. 12  
s. 12  
s. 12

Updated annotated is attached.

Thanks,  
Bianca

---

**From:** Holmes, Rachel MUNI:EX <[Rachel.Holmes@gov.bc.ca](mailto:Rachel.Holmes@gov.bc.ca)>  
**Sent:** Wednesday, November 22, 2023 5:02 PM  
**To:** Wallace, Bianca M JEDI:EX <[Bianca.Wallace@gov.bc.ca](mailto:Bianca.Wallace@gov.bc.ca)>; Lesiuk, Tim JEDI:EX <[Tim.Lesiuk@gov.bc.ca](mailto:Tim.Lesiuk@gov.bc.ca)>  
**Cc:** Wempe, Sarah MUNI:EX <[Sarah.Wempe@gov.bc.ca](mailto:Sarah.Wempe@gov.bc.ca)>  
**Subject:** RE: ADMCE tomorrow

Awesome – thanks so much for this.

Rachel Holmes

Assistant Deputy Minister  
Immigration Services and Strategic Planning  
Ministry of Municipal Affairs

[rachel.holmes@gov.bc.ca](mailto:rachel.holmes@gov.bc.ca)  
250.589.0678

---

**From:** Wallace, Bianca M JEDI:EX <[Bianca.Wallace@gov.bc.ca](mailto:Bianca.Wallace@gov.bc.ca)>  
**Sent:** Wednesday, November 22, 2023 4:47 PM  
**To:** Holmes, Rachel MUNI:EX <[Rachel.Holmes@gov.bc.ca](mailto:Rachel.Holmes@gov.bc.ca)>; Lesiuk, Tim JEDI:EX <[Tim.Lesiuk@gov.bc.ca](mailto:Tim.Lesiuk@gov.bc.ca)>  
**Cc:** Wempe, Sarah MUNI:EX <[Sarah.Wempe@gov.bc.ca](mailto:Sarah.Wempe@gov.bc.ca)>  
**Subject:** RE: ADMCE tomorrow

Hi Rachel,

Thanks for agreeing to chair tomorrow. The annotated agenda is attached to help facilitate and you'll see we'll need to watch for quorum to be maintained (lots of RSVP changes today).

Extra notes on s. 12 - We'll be circulating updated s. 12 materials to members shortly. Tim, Reg and Nat have been discussing s. 12 that's been in the media since summer and again this week. There's background and some questions in the annotated for you and you can see in the compare/contrast document also attached that they're starting to incorporate this key content.

Let us know if you'd like to touch base or if we can support you further from the secretariat side.

Thanks,  
Bianca

---

**From:** Holmes, Rachel MUNI:EX <[Rachel.Holmes@gov.bc.ca](mailto:Rachel.Holmes@gov.bc.ca)>  
**Sent:** Wednesday, November 22, 2023 2:25 PM  
**To:** Lesiuk, Tim JEDI:EX <[Tim.Lesiuk@gov.bc.ca](mailto:Tim.Lesiuk@gov.bc.ca)>  
**Cc:** Wallace, Bianca M JEDI:EX <[Bianca.Wallace@gov.bc.ca](mailto:Bianca.Wallace@gov.bc.ca)>  
**Subject:** RE: ADMCE tomorrow

Sure thing – no problem 😊😊

Rachel Holmes

Assistant Deputy Minister  
Immigration Services and Strategic Planning  
Ministry of Municipal Affairs

[rachel.holmes@gov.bc.ca](mailto:rachel.holmes@gov.bc.ca)

250.589.0678

---

**From:** Lesiuk, Tim JEDI:EX <[Tim.Lesiuk@gov.bc.ca](mailto:Tim.Lesiuk@gov.bc.ca)>

**Sent:** Wednesday, November 22, 2023 2:25 PM

**To:** Holmes, Rachel MUNI:EX <[Rachel.Holmes@gov.bc.ca](mailto:Rachel.Holmes@gov.bc.ca)>

**Cc:** Wallace, Bianca M JEDI:EX <[Bianca.Wallace@gov.bc.ca](mailto:Bianca.Wallace@gov.bc.ca)>

**Subject:** ADMCE tomorrow

Hi Rachel,

I am not able to attend ADMCE tomorrow and Lorie is not able to chair. Would you be willing to chair the meeting?

tim







**From:** Wallace, Bianca M JEDI:EX(Bianca.Wallace@gov.bc.ca)  
**To:** Holmes, Rachel MUNI:EX (Rachel.Holmes@gov.bc.ca); Lesiuk, Tim JEDI:EX (Tim.Lesiuk@gov.bc.ca)  
**To:** Wempe, Sarah MUNI:EX (Sarah.Wempe@gov.bc.ca)  
**Subject:** RE: ADMCE tomorrow  
**Sent:** 11/23/2023 00:46:29  
**Attachments:** ADMCE Annotated Agenda 2023-11-23.docx, s. 12 Compare document.docx

Hi Rachel,

Thanks for agreeing to chair tomorrow. The annotated agenda is attached to help facilitate and you'll see we'll need to watch for quorum to be maintained (lots of RSVP changes today).

Extra notes on s. 12 - We'll be circulating updated s. 12 materials to members shortly. Tim, Reg and Nat have been discussing s. 12 that's been in the media since summer and again this week. There's background and some questions in the annotated for you and you can see in the compare/contrast document also attached that they're starting to incorporate this key content.

Let us know if you'd like to touch base or if we can support you further from the secretariat side.

Thanks,  
Bianca

---

**From:** Holmes, Rachel MUNI:EX <Rachel.Holmes@gov.bc.ca>  
**Sent:** Wednesday, November 22, 2023 2:25 PM  
**To:** Lesiuk, Tim JEDI:EX <Tim.Lesiuk@gov.bc.ca>  
**Cc:** Wallace, Bianca M JEDI:EX <Bianca.Wallace@gov.bc.ca>  
**Subject:** RE: ADMCE tomorrow

Sure thing – no problem 😊😊

Rachel Holmes

Assistant Deputy Minister  
Immigration Services and Strategic Planning  
Ministry of Municipal Affairs

[rachel.holmes@gov.bc.ca](mailto:rachel.holmes@gov.bc.ca)  
250.589.0678

---

**From:** Lesiuk, Tim JEDI:EX <Tim.Lesiuk@gov.bc.ca>  
**Sent:** Wednesday, November 22, 2023 2:25 PM  
**To:** Holmes, Rachel MUNI:EX <Rachel.Holmes@gov.bc.ca>  
**Cc:** Wallace, Bianca M JEDI:EX <Bianca.Wallace@gov.bc.ca>  
**Subject:** ADMCE tomorrow

Hi Rachel,

I am not able to attend ADMCE tomorrow and Lorie is not able to chair. Would you be willing to chair the meeting?

tim













































































































































































**From:** Parker, Jacquelyn JEDI:EX(Jacquelyn.Parker@gov.bc.ca)  
**To:** Grbavac, Danielle JEDI:EX (Danielle.Grbavac@gov.bc.ca); Yetskalo, Valentina JEDI:EX (Valentina.Yetskalo@gov.bc.ca)  
**To:** Wallace, Bianca M JEDI:EX (Bianca.Wallace@gov.bc.ca); Filion, Guillaume JEDI:EX (Guillaume.Filion@gov.bc.ca)  
**Subject:** ATTN: Alignment Consideration with s. 12  
**Sent:** 11/06/2023 22:42:48

Hi Team!

Guillaume and I met with the lead for the Net-Zero Industry team at CAS and became aware of what might be a critical link to the s. 1 work.

This team released an Intentions Paper in July (link below), and are working on developing and implementing new policies for new or expanding industries in the province that will require them to have 'best practices for clean technology' in place. s. 13

s. 13

Happy to discuss further. If you agree, I think it would be helpful for Jim to have a copy of the intentions paper and we should bring up at our next meeting with GCPE. CAS is also working to find approved messaging that they will also share, when available.

Thank you!  
-J

**Jacquelyn Parker**  
A/Sr. Director, Clean Innovation  
*phone: (778) 698-8966*  
*mobile: (250) 213-3064*

I'm honoured to live on and enjoy the traditional territory of the lək'wəŋən People, known today as the Esquimalt and Songhees Nations.

---

**From:** Lilley, Daisy ENV:EX <Daisy.Lilley@gov.bc.ca>  
**Sent:** Monday, November 6, 2023 2:14 PM  
**To:** Filion, Guillaume JEDI:EX <Guillaume.Filion@gov.bc.ca>  
**Cc:** Parker, Jacquelyn JEDI:EX <Jacquelyn.Parker@gov.bc.ca>; Peyman, Hurrian ENV:EX <Hurrian.Peyman@gov.bc.ca>  
**Subject:** RE: s. 12

Hi Guillaume & Jacquelyn,

It was great to meet you both and hear about how the s. 12 is shaping up. As promised, here is a link to the Net-Zero New Industry Intentions Paper that we were consulting on over the summer; I will get back to you ASAP on whether we have messaging we can share regarding the BCBC position.

<https://www2.gov.bc.ca/assets/gov/environment/climate-change/ind/nzni/net-zero-new-industry-intentions-paper.pdf>

Cheers,



**Daisy Lilley** (she/her)  
**Unit Head, Net Zero Industry**  
Clean Growth | Climate Action Secretariat  
Ministry of Environment and Climate Change Strategy  
☎ 604 968 4702 | [daisy.lilley@gov.bc.ca](mailto:daisy.lilley@gov.bc.ca)

I respectfully acknowledge the scəwəθən (Tsawwassen), xʷməθkʷəy̓əm (Musqueam), and other Coast Salish Peoples, and all the indigenous peoples of British Columbia, on whose territories I am grateful to work, live and grow.

**From:** Naji, Mehdi JEDI:EX(Mehdi.Naji@gov.bc.ca)  
**To:** Wallace, Bianca M JEDI:EX (Bianca.Wallace@gov.bc.ca)  
**To:** Szkudlarek, Zuzanna JEDI:EX (Zuzanna.Szkudlarek@gov.bc.ca)  
**Subject:** Comments on s. 12  
**Sent:** 09/05/2023 23:59:12

Hello Bianca and Zuzanna,  
Hope you are doing well.  
Here are my comments on s. 12 . I hope you find them useful.

s. 12, s. 13

s. 12, s. 13

s. 12, s. 13

s. 12, s. 13

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s. 12, s. 13

s. 12, s. 13

Best regards.

**Mehdi Naji** (he/him)

Senior Policy Analyst | Economic Strategy Branch

Sustainable Economy Division

Ministry of Jobs, Economic Development and Innovation



**From:** Naji, Mehdi JEDI:EX(Mehdi.Naji@gov.bc.ca)  
**To:** Williams, Jennifer JEDI:EX (Jennifer.Williams@gov.bc.ca)  
**To:** Szkudlarek, Zuzanna JEDI:EX (Zuzanna.Szkudlarek@gov.bc.ca)  
**Subject:** Comments on the ENV Net Zero for New Industry RFL  
**Sent:** 09/13/2023 17:27:55

Hi Jennifer,

Hope you are doing well.

Below, you'll find my comments on the *ENV Net Zero for New Industry RFL*. I hope you find them useful.

Just want to make it clear that these are just my initial thoughts after going through the document. I'm aware that my choice of words or writing style might need improvements. Also, I'm not entirely sure how relevant my comments are. That being said, if needed, I'm totally up for an e-discussion whenever you're ready.

Best,

**Mehdi Naji** (he/him)  
Senior Policy Analyst | Economic Strategy Branch  
Sustainable Economy Division  
Ministry of Jobs, Economic Development and Innovation

**Comments on the *ENV Net Zero for New Industry RFL*:**

s. 12, s. 13



**From:** Ali, Nasser JEDI:EX(Nasser.Ali@gov.bc.ca)  
**To:** Naji, Mehdi JEDI:EX (Mehdi.Naji@gov.bc.ca)  
**Subject:** RE: RE CTAP GDP implications  
**Sent:** 11/20/2023 21:44:08

Very helpful, thank you!

Best,  
Nasser

---

**From:** Naji, Mehdi JEDI:EX <Mehdi.Naji@gov.bc.ca>  
**Sent:** Monday, November 20, 2023 1:39 PM  
**To:** Wallace, Bianca M JEDI:EX <Bianca.Wallace@gov.bc.ca>; Szkudlarek, Zuzanna JEDI:EX <Zuzanna.Szkudlarek@gov.bc.ca>; Ali, Nasser JEDI:EX <Nasser.Ali@gov.bc.ca>; Williams, Jennifer JEDI:EX <Jennifer.Williams@gov.bc.ca>  
**Subject:** RE CTAP GDP implications

Hello,

I thought you might find this email helpful. It includes a quick rule-of-thumb estimation of the GDP impact of the CleanBC plan that I had done when I was still new to the team.

Thanks, Mehdi

---

**From:** Naji, Mehdi JEDI:EX  
**Sent:** Wednesday, September 13, 2023 10:28 AM  
**To:** Williams, Jennifer JEDI:EX <Jennifer.Williams@gov.bc.ca>  
**Cc:** Szkudlarek, Zuzanna JEDI:EX <Zuzanna.Szkudlarek@gov.bc.ca>  
**Subject:** Comments on the ENV Net Zero for New Industry RFL

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Best,

**Mehdi Naji** (he/him)  
Senior Policy Analyst | Economic Strategy Branch  
Sustainable Economy Division  
Ministry of Jobs, Economic Development and Innovation

**Comments on the *ENV Net Zero for New Industry RFL*:**

s. 12, s. 13





[Government Finances](#)

## Government's own modelling shows its CleanBC plan will dampen economic growth and set B.C.'s prosperity back more than a decade

August 9, 2023

Ken Peacock, Denise Mullen

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**MEETING NOTE**

Cliff #: 163361

Date: October 13, 2023

**PREPARED FOR:** Honourable Brenda Bailey, Minister of Jobs, Economic Development and Innovation

**MEETING WITH:** Business Council of BC

**DATE AND TIME OF MEETING:** October 19<sup>th</sup>, 2023, 1:15 - 1:45PM

**ATTENDEES:**

- Laura Jones, President & CEO, Business Council of BC
- Honourable Brenda Bailey, Minister of Jobs, Economic Development and Innovation
- Tim Lesiuk, Assistant Deputy Minister, Sustainable Economy Division

**ISSUE(S):** Introductory meeting requested by the Business Council of BC, to discuss the impact of BC's Output Based Pricing System and other proposed policies on BC's economy.

**KEY POINTS:**

- Since 2008, the Province has imposed a carbon tax under the *B.C. Carbon Tax Act*. This approach includes a charge on consumed fuels.
- As part of Budget 2023, the Province announced a transition to an Output-Based Pricing System (OBPS) for industrial emitters starting in 2024 that will promote environmental leadership in BC while fostering competitiveness, promoting innovation, and addressing concerns of carbon leakage.
- The BC OBPS program annually review offset data to ensure the market functions as intended, all the while balancing emission reductions and competitiveness considerations.
- The Council recently released an analysis of the CleanBC modelling work commissioned by the Province, which concluded that government's climate policies will shrink B.C.'s economy by \$28B in 2030, and economic growth will slow under CleanBC.

**BACKGROUND:***BC Business Council*

- The Council is a business association representing approximately 250 major enterprises and industry associations engaged in business in British Columbia. Members are drawn from all major sectors of the provincial economy.
- The Council produces public policy research and advocacy and convenes sectors, governments, and Indigenous Nations in support of creating a competitive and productive economy.
  - The Business Council of BC (the Council) hosted Minister Bailey at a Senior Executive Roundtable with Council members in June 2023.
- The Council has recently engaged with several ministries to express concerns about the near- and medium-term economic implications of policies under the CleanBC Roadmap to 2030 (CleanBC):
  - The Council presented a submission in August 2023 on the government's Net-Zero New Industry Intentions Paper, which is one of three recently released papers outlining the government's proposed regulatory changes to meet carbon emission targets set out in CleanBC.
  - The Council also presented a submission in September 2023 on the government's Output-Based Pricing System (OBPS) Technical Paper, the second recently released policy paper under government's broader CleanBC plan.
- The Council, the B.C. Assembly of First Nations, and Vancouver Island University jointly deliver the Indigenous Intern Leadership Program, which connects qualifying Indigenous post-secondary graduates with prominent B.C. employers for two-year internships. Indigenous Services Canada recently contributed \$1.33M over four years towards the program.

*Carbon Tax*

- The Province is committed to reducing greenhouse gas emissions 40% below 2007 level by 2030, 60% by 2040, and 80% by 2050.
- In 2019, the federal government set minimum standards that all systems must meet to ensure comparable and effective greenhouse gas (GHG) emission reduction. At the same time, the Province launched programs to support industry to align to targets, including the establishment of a tax incentive.
- As part of release of the strengthened CleanBC plan in 2021, the Province committed to enhance industry programs to best align with federal carbon pricing rules while continuing to promote a competitive business environment and significant GHG reductions.
- The OBPS is an industrial carbon pricing model that was developed based on industry feedback, as a made-in-BC solution targeting large industrial emitters (producers of regulated industrial products emitting over 10K tonnes CO<sub>2</sub> annually).

*Key features of the BC OBPS:*

- Sets a performance standard.
- Carbon is only priced above the standard, i.e., excess emissions.
- Lower-emitting facilities earn credits, while higher-emitters pay more.
- B.C.'s carbon price will follow the minimum price set by the Federal Government, increasing to \$65/tonne of CO<sub>2</sub>-equivalent emissions and rising by \$15/tonne each year until it reaches \$170/tonne in 2030.
- Other climate policy changes under development include a regulatory emissions cap for the oil and gas industry to ensure B.C. meets its 2030 emissions-reduction target for the sector (33-38% below 2007 levels by 2030).

**DISCUSSION:**

- It is widely recognized that putting a price on carbon pollution is one of the most effective and economically efficient ways to reduce GHG emissions and spur innovation.
- The Provincial carbon pricing review included engagement with Indigenous partners, industry, equity-seeking groups, and the Government of Canada, which indicated strong preference for B.C. to move to an OBPS.
- During the carbon pricing review, the Ministry of Environment (ENV) heard a strong preference from industry for the Province to move to a made-in-B.C. OBPS, an industrial carbon pricing model that encourages emissions reductions and minimizes competitiveness risks. ENV also heard concerns from industry about the current need to pay for carbon tax upfront prior to receiving an incentive payment from the Clean BC Industrial Incentive Program as well as an interest in allowing the use of market-based compliance mechanisms (e.g., offsets).
- Costs for different sectors and demographics were considered when developing the OBPS. Provincial programs to aid industries impacted by the transition include training to transition workers (Future Ready), supports for those adopting new technologies (CleanBC Industry Fund, Clean BC Industrial Incentive Program), and supports to address impacts on vulnerable populations.
- GDP growth represented within the CleanBC modelling is based on the conservative annual growth assumption of 1.3% from the Parliamentary Budget Officer forecast for 2025-2030, which heavily influences the assumed forecast.
- Climate policy will also affect GDP growth, however, most of the climate policy that will have notable economic impacts are still under development and have only applied primary modelling mechanisms in the interim.
- Conclusions about slowed GDP growth due to climate policy are based on modelling assumptions and are therefore not reflective of final forecasted results.

- Using changes in GDP as an indicator of wellbeing has a complicated interpretation in the case of climate impacts and policy. Response and clean up from a disaster will increase GDP. Improving liveability and the ability of ecosystems to support our welfare may not.

#### **SUGGESTED RESPONSE/KEY MESSAGING:**

- Growing the economy is an important part of this government's mandate. Solutions to climate change will require a fundamental reimagining of the way we do things—moving beyond business as usual to an economic system that protects B.C.'s interests in a low carbon future.
- CleanBC is a climate and economic plan with the goal of achieving our climate goals while transitioning B.C. to a diversified economy that is responsive to increasing low-carbon opportunities for global investment.
- Many businesses in B.C. are keenly interested in being climate-forward (both to gain climate-conscious customers, and to benefit from the global low-carbon transition) and have voiced strong support for climate policy and CleanBC specifically.
- During the carbon pricing review, the Ministry of Environment (ENV) heard a strong preference from industry for the Province to move to a made-in-B.C. OBPS, an industrial carbon pricing model that encourages emissions reductions and minimizes competitiveness risks. ENV also heard concerns from industry about the current need to pay for carbon tax upfront prior to receiving an incentive payment from the Clean BC Industrial Incentive Program as well as an interest in allowing the use of market-based compliance mechanisms (e.g., offsets).

#### **ATTACHMENTS:**

- Appendix A – Biography
- Appendix B – Net-Zero Intentions Paper Submission
- Appendix C – OBPS Net-Zero Submission

ADM Contact: Tim Lesiuk, Phone: (250) 216-5893

Prepared by: Guillaume Filion, Manager Clean Innovation, Innovation Branch

Reviewed by			
Dir:	ED: JP	A/ADM: DG	DM:

## **APPENDIX A – Biography**

### **Laura Jones**

President & CEO, Business Council of BC

The Business Council of BC (the Council) announced in May 2023 that Laura Jones will assume the position of President and Chief Executive Officer. Ms. Jones succeeds Greg D’Avignon who served in the role for 12 years.

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**From:** Filion, Guillaume JEDI:EX(Guillaume.Filion@gov.bc.ca)  
**To:** Cross, Elaine ENV:EX (Elaine.Cross@gov.bc.ca)  
**Subject:** RE: Help Request: MN Info on impacts of OBPS and other policies  
**Sent:** 10/11/2023 21:32:18

Thanks, you're the best!

Guillaume

**Guillaume Filion**

Manager, Clean Innovation  
Ministry of Jobs, Economic Development and Innovation  
250.508.1359

---

**From:** Cross, Elaine ENV:EX <Elaine.Cross@gov.bc.ca>  
**Sent:** Wednesday, October 11, 2023 2:02 PM  
**To:** Filion, Guillaume JEDI:EX <Guillaume.Filion@gov.bc.ca>  
**Subject:** RE: Help Request: MN Info on impacts of OBPS and other policies

Hi Guillaume,

CAS has prepared the attached messaging on CleanBC modelling, which is in response to concerns from BCBC about how GDP shows up in the modelling.

This is approved messaging that has been shared with DMs, so please feel free to use for the purposes of your note.

If you have questions or need anything else, please let me know.

Elaine

---

**From:** Filion, Guillaume JEDI:EX <Guillaume.Filion@gov.bc.ca>  
**Sent:** Wednesday, October 11, 2023 12:55 PM  
**To:** Cross, Elaine ENV:EX <Elaine.Cross@gov.bc.ca>  
**Subject:** RE: Help Request: MN Info on impacts of OBPS and other policies

Thanks – it would be very helpful if you can get back to me by EOD tomorrow. The MN needs to be approved before the end of the week,

Guillaume

**Guillaume Filion**

Manager, Clean Innovation  
Ministry of Jobs, Economic Development and Innovation  
250.508.1359

---

**From:** Cross, Elaine ENV:EX <Elaine.Cross@gov.bc.ca>  
**Sent:** Wednesday, October 11, 2023 12:54 PM  
**To:** Filion, Guillaume JEDI:EX <Guillaume.Filion@gov.bc.ca>  
**Subject:** RE: Help Request: MN Info on impacts of OBPS and other policies

Hi Guillaume – so you have this in writing, I'm working on a response and will aim to get back to you this week.

Elaine

---

**From:** Filion, Guillaume JEDI:EX <[Guillaume.Filion@gov.bc.ca](mailto:Guillaume.Filion@gov.bc.ca)>  
**Sent:** Friday, October 6, 2023 2:43 PM  
**To:** Cross, Elaine ENV:EX <[Elaine.Cross@gov.bc.ca](mailto:Elaine.Cross@gov.bc.ca)>  
**Subject:** Help Request: MN Info on impacts of OBPS and other policies  
**Importance:** High

Hi Elaine

Hope you are doing well!

My team has been tasked with writing a meeting note for our Minister ahead of a conference call with the Business Council of British Columbia (BCBC). One issue BCBC would like to discuss is the economic impact of the BC Output Based Pricing System (OBPS) and other government policies. I've reached out to Maral Sotoudehnia to get some background information on OBPS, but I understand that BCBC shared some concerns about other policies during UBCM. As you attended the event, I'm wondering if you have some insider insights as to which policies were brought forward as part of the discussions with BCBC and whether your team has some materials that you could share for inclusion in the meeting note.

Happy to have a quick chat if it would help.

Thank you in advance,

Guillaume

**Guillaume Filion**

Manager, Clean Innovation

Ministry of Jobs, Economic Development and Innovation

250.508.1359

**From:** Grbavac, Danielle JEDI:EX(Danielle.Grbavac@gov.bc.ca)  
**To:** Filion, Guillaume JEDI:EX (Guillaume.Filion@gov.bc.ca); Parker, Jacquelyn JEDI:EX (Jacquelyn.Parker@gov.bc.ca)  
**To:** Yetskalo, Valentina JEDI:EX (Valentina.Yetskalo@gov.bc.ca); Wallace, Bianca M JEDI:EX (Bianca.Wallace@gov.bc.ca); Norton, Jade JEDI:EX (Jade.Norton@gov.bc.ca)  
**Subject:** BCBC: CleanBC will dramatically dampen B.C.'s economic growth - Commentary | Business in Vancouver  
**Sent:** 08/17/2023 21:12:34

<https://biv.com/article/2023/08/bcbc-cleanbc-will-dramatically-dampen-bcs-economic-growth>

**From:** Lilley, Daisy ENV:EX(Daisy.Lilley@gov.bc.ca)  
**To:** Parker, Jacquelyn JEDI:EX (Jacquelyn.Parker@gov.bc.ca)  
**To:** Peyman, Hurrian ENV:EX (Hurrian.Peyman@gov.bc.ca); Fillion, Guillaume JEDI:EX (Guillaume.Fillion@gov.bc.ca); D'Souza, Don ENV:EX (Don.DSouza@gov.bc.ca); Hop Wo, Hilary ENV:EX (Hilary.HopWo@gov.bc.ca)  
**Subject:** RE: s. 12  
**Sent:** 11/07/2023 21:10:37  
**Attachments:** CleanBC Modelling - KMs for DMs\_v3.docx, FW: Responding to BCBC report taking aim at CleanBC.msg

Hi Jacquelyn & Guillaume,

Attached are a couple of items relating to CAS's response to the BCBC take on Clean BC modelling with key messages that were provided to Deputy Ministers and MLAs.

Hopefully these are helpful in creating messaging to for the s. 12 Don D'Souza and Hilary Hop Wo (both cc'd here) are the CAS leads on this piece so please feel free to reach out to them if you'd like to discuss at all.

Cheers,



**Daisy Lilley** (she/her)  
**Unit Head, Net Zero Industry**  
Clean Growth | Climate Action Secretariat  
Ministry of Environment and Climate Change Strategy  
☎ 604 968 4702 | [daisy.lilley@gov.bc.ca](mailto:daisy.lilley@gov.bc.ca)

I respectfully acknowledge the scəwəθən (Tsawwassen), xʷməθkʷəyəm (Musqueam), and other Coast Salish Peoples, and all the indigenous peoples of British Columbia, on whose territories I am grateful to work, live and grow.

# Key Messages for DMs on CleanBC Modelling

## Background on Climate Modelling

- CleanBC's set of policies demonstrate a pathway to achieving legislated climate targets in B.C., using a world-class climate/economy model, gTech, to forecast likely outcomes of these policies. This model is one of the most sophisticated available and is used by many jurisdictions across Canada and around the world.
- Models create a simplified representation of possible future states, based on the data and assumptions that are inputted into the model, such as historical emissions, policy design, economic conditions and growth, energy prices, etc.
- Models are not able to account for every factor that may happen (e.g., a global pandemic, war, etc.). They also do not account for new technologies that are not already in the market, or new industries that may grow to serve the demand for clean solutions.
- CleanBC modelling does not account for the economic benefits of reducing greenhouse gas emissions, nor does it account for the cost of climate inaction like continued wildfires, extreme weather, drought, etc. This is normal for modelling of this type.
- Since 2018, there have been hundreds of different CleanBC model 'runs' to look at the impact of different policy designs and combinations of policies, and to test different factors outside our control. This helps us to understand which factors are most important, where there may be unintended consequences or trade-offs, and how changes to policies may lead to different outcomes.
- Models are a policy development tool rather than a predictor of the future. Model runs can provide useful insights, but they represent one possible version of the future and cannot precisely predict specific future outcomes that are influenced by a wide range of factors.
- Additionally, some CleanBC policies are still under development. Until their policy design is finalized, the modelling of these policies is based on assumptions of the policy design. This increases the uncertainty associated with those results.
- Model results will change annually as updated data and refined policy assumptions are incorporated.

## Specific responses to concerns raised regarding economic growth in CleanBC modelling

s. 13



**From:** Hewitt, Jeremy ENV:EX(Jeremy.Hewitt@gov.bc.ca)  
**To:** D'Souza, Don ENV:EX (Don.DSouza@gov.bc.ca); Lowe, Sonia GCPE:EX (Sonia.Lowe@gov.bc.ca)  
**Subject:** FW: Responding to BCBC report taking aim at CleanBC  
**Sent:** 11/03/2023 15:10:15

FYI

---

**From:** Brenchley, Charlie ENV:EX <Charlie.Brenchley@gov.bc.ca>  
**Sent:** Thursday, November 2, 2023 4:31 PM  
**To:** Hewitt, Jeremy ENV:EX <Jeremy.Hewitt@gov.bc.ca>  
**Subject:** FW: Responding to BCBC report taking aim at CleanBC

**FYI. What went to MLAs.**

Both the messaging below and the BiV piece from economist Nancy Olewiler help in setting the record straight on an inaccurate report that BC Business Council published in relation to our CleanBC plan.

<https://biv.com/article/2023/10/we-shouldnt-underestimate-economic-benefits-climate-action-bc>

If you have any questions, please contact Charlie Brenchley.

## **Response to BCBC report**

### **Summary:**

- In August, BC Business Council published a report claiming that CleanBC will push B.C.'s economy into recession-like conditions. These claims are incorrect.

### **On the report:**

s. 13

**Our message:**

s. 13

Thank you,  
Chelsea



**From:** Harrison, Terry JEDI:EX(Terry.Harrison@gov.bc.ca)  
**To:** Bailey, Brenda JEDI:EX (Brenda.Bailey@gov.bc.ca)  
**Subject:** Fwd: Letter from Minister George Heyman  
**Sent:** 11/07/2023 15:11:09  
**Attachments:** 404761 - Jones - FINAL.pdf

FYI, here's the letter from MGH to BCBC, as it was delivered.

-t.

---

**From:** Brenchley, Charlie ENV:EX <Charlie.Brenchley@gov.bc.ca>  
**Sent:** Monday, November 6, 2023 5:34 PM  
**To:** Sali, Meghan PREM:EX <Meghan.Sali@gov.bc.ca>; Cuddy, Andrew EMLI:EX <Andrew.Cuddy@gov.bc.ca>; Lindsay-Baugh, Anna GCPE:EX <Anna.LindsayBaugh@gov.bc.ca>; Smith, Jessica C PREM:EX <Jessica.C.Smith@gov.bc.ca>; Monroe, Danielle FIN:EX <Danielle.Monroe@gov.bc.ca>; Harrison, Terry JEDI:EX <Terry.Harrison@gov.bc.ca>  
**Cc:** Bailey, Sarah FIN:EX <Sarah.Bailey@gov.bc.ca>  
**Subject:** FW: Letter from Minister George Heyman

Hi team,

I worked on this with CAS and some folks. A solid technical pushback on BCBC's claims.

Andrew, Danielle and Terry, your ministers were cced on reply. Can you please make sure that they see this?

Thanks!

Charlie



**Charlie Brenchley (he/him)**

Chief of Staff to the Honourable George Heyman  
Minister of Environment and Climate Change Strategy  
Mobile: (250) 208-0542

---

**From:** Minister, ENV ENV:EX <ENV.Minister@gov.bc.ca>  
**Sent:** Friday, November 3, 2023 3:49 PM  
**To:** 'laura.jones@bccbc.com' <laura.jones@bccbc.com>  
**Cc:** Minister, FIN FIN:EX <FIN.Minister@gov.bc.ca>; Minister, JEDI JEDI:EX <JEDI.Minister@gov.bc.ca>; Minister, EMLI EMLI:EX <EMLI.Minister@gov.bc.ca>  
**Subject:** Letter from Minister George Heyman

Reference: 404761

November 3, 2023

Laura Jones

President and Chief Executive Officer

Business Council of British Columbia

1050 West Pender Street, Suite 960

Vancouver BC V6E 3S7

Dear Ms. Jones,

Please find attached a response from Minister George Heyman. Note that a hard copy will not follow in the mail.



Reference: 404761

*November 3, 2023*

Laura Jones  
President and Chief Executive Officer  
Business Council of British Columbia  
1050 West Pender Street, Suite 960  
Vancouver BC V6E 3S7

Dear Ms. Jones,

I want to congratulate you on your appointment as President and CEO of the Business Council of British Columbia. Your member businesses have placed trust in you and I am looking forward to working closely with you.

My team at the Climate Action Secretariat is responsible for coordinating climate policies across the B.C. government, and leads on key policy frameworks that are of direct interest to some of your members including the Net Zero for New Industry policy, the B.C. Output Based Pricing System, and the proposed emissions cap on the oil and gas sector in B.C. We have appreciated the insights your members have contributed to the development of these policies during our consultations.

B.C. is a recognized leader on climate policy in Canada and around the world. This leadership is demonstrated by our commitment to transparency and accountability, for example through our annual Climate Change Accountability Report. B.C. publishes more details related to climate policy development and implementation than most other jurisdictions in the world, including highly technical information on energy economy modelling and the underlying assumptions that go into that analysis. We do however know we can improve the way we communicate this technical information to ensure it is more easily understood and not misinterpreted. I would like to take the time in this letter to respond to some recent analysis that your organization has published and subsequent presentations your organization has made regarding economic modelling of the CleanBC plan to ensure you and your members are fully aware of how to appropriately interpret our information and modeling and the context in which they were presented.

...2

You have asserted that the Province's CleanBC plan will cause the economy to shrink by \$28 billion in 2030 and set prosperity back by more than decade. That assessment appears to be based on some fundamental misunderstandings and misinterpretations of the data that the Province published and it seems to ignore assumptions and caveats that are critical to understanding the results.

As you know, this government announced a number of climate policy commitments through the *Roadmap to 2030* but many of these policies remain under development. As a general rule, the energy economy modelling we conduct will contain placeholder or proxy policies in order to assess their greenhouse gas reduction potential, while also providing additional results such as impacts to provincial GDP and energy demand. After policy frameworks have been finalized, we update our modelling based on the actual policy design and publish the updated results accordingly. Importantly, modelled placeholder policies do not reflect specific policy-level decisions that have yet to be made by my ministry and endorsed by Cabinet. Cabinet has the opportunity to review the benefits and costs, including macroeconomic impacts, of all climate policies under consideration as they are brought forward for decision, in line with the implementation plans described in the Roadmap (and as updated annually in the Climate Change Accountability Report). This iterative modelling process is important to understand, as many of the economic impacts you highlight in your analysis are directly attributable to placeholder policy assumptions.

For example, the Roadmap commitment to develop a Clean Transportation Action Plan (CTAP), which increases active and public transportation use and reduces light duty vehicle kilometers travelled, accounts for almost 60 percent of the economic impacts described in the 2022 Provincial Forecast on which you based your analysis. Envisioning a future where mode-shifting occurs will not translate into a policy framework that results in this magnitude of economic impact. In this instance, we chose to model a placeholder policy that significantly overestimated potential economic impacts and did not yet factor positive economic outcomes that are dependant on yet-to-be updated policy assumptions. This is because decisions related to the CTAP have not yet been finalized by Cabinet.

We specifically note in our published model results that "the GDP projection under CleanBC is significantly affected by policies still being designed and may be different in future modelling." You have included this footnote in subsequent presentations but are not fully considering or referencing its importance in your conclusions. We consider this a significant oversight that does not assist in proper consideration of the impacts and many potential benefits of CleanBC.

...3

In addition to the spreadsheet that is subject to your analysis, we also provide details on policies and underlying assumptions in a modelling methodology report.<sup>1</sup> We see that you are aware of this additional information as you've also included this in your presentations, but may not have considered it fully in your analysis. For example, your assertion that policies put in place prior to July 2017 are sufficient to push B.C.'s economic growth rate below what the Ministry of Finance projects is misleading as the two government forecasts are prepared using different methods and assumptions and are used for different purposes. As clearly laid out in the published methodology report, the modelled CleanBC reference case uses a long-term GDP forecast for 2025-2030 from the Parliamentary Budget Officer (1.3% in the 2022 analysis). Therefore, it is simply inaccurate to suggest, as BCBC does, that "even the policies put in place prior to July 2017 are sufficient to push B.C.'s economic growth rate below its long-term average" when the provincial growth rate in the reference case is an assumed input to the model. Your organization's assessment of per capita income changes suffers from similar methodological issues related to data and assumptions.

Despite the uncertainty associated with modelling the CleanBC plan, economic modelling remains an important tool to understand trade-offs that exist with specific policies and with the overall CleanBC plan. We assess these trade-offs by, in principle, comparing results between the CleanBC policy case and the reference case. That is not to say however that the alternative to the CleanBC policy case is the reference case. The reference case no longer exists in reality - nor can it if B.C. is serious about addressing climate change - and is only used as a counter scenario for analytical purposes. Importantly, the federal government has implemented policy backstops on some of these policies including a Clean Fuel Standard, a carbon pricing benchmark, and regulations to reduce methane emissions from the oil and gas sector. I was surprised that your organization's analysis seemed to imply that B.C. would be better off by abdicating its responsibilities to reduce provincial emissions, especially given how many of your members consider themselves leaders on climate action and have repeatedly stated that they share the Province's goals in achieving emissions reductions in line with the Paris agreement.

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<sup>1</sup> Available online and referenced by footnote in the 2022 Provincial Forecast:  
[https://www2.gov.bc.ca/assets/gov/environment/climate-change/action/cleanbc/cleanbc\\_methodology\\_report\\_2022.pdf](https://www2.gov.bc.ca/assets/gov/environment/climate-change/action/cleanbc/cleanbc_methodology_report_2022.pdf)

Additionally, as you know, no single modelling tool can fully capture the complexity and openness of B.C.'s economy or account for unforeseen economic activity. The CleanBC economic modelling results should not be mistaken for a prediction. We do not know how B.C.'s economy will fully evolve over time but we do know that the global transition to a low carbon future presents many opportunities for businesses in B.C, the majority of which are not captured in the modelling. The development of new or expanded industries, for example related to critical minerals, clean energy and new clean technology development in B.C., is an obvious one that comes to mind, and which was not acknowledged in your analysis. Additionally, you do not factor the considerable costs to the province, the public and to industry in remediating climate change induced damages at multiple levels.

I appreciate the feedback that your organization and members provide as we continue engaging on implementing the actions described in the CleanBC plan. My team is available to discuss the policies currently under development, and any associated technical or economic analysis, and welcomes suggestions on how we can improve our efforts, including those related to climate policy transparency and accountability.

We request some clarifications be made in your public analysis or future presentations that acknowledge and consider the information above. To be absolutely clear, the trade offs associated with any climate policies that are implemented in the province are carefully evaluated such that the economic costs of a transition to a low carbon future are minimized and B.C. businesses have every opportunity to capitalize on this transition.

Sincerely,

A handwritten signature in dark ink, appearing to read 'G. Heyman', with a stylized, cursive script.

George Heyman  
Minister

cc: Honourable Josie Osborne, Minister of Energy, Mines and Low Carbon Innovation  
Honourable Katrine Conroy, Minister of Finance  
Honourable Brenda Bailey, Minister of Jobs, Economic Development and  
Innovation

**From:** Harrison, Terry JEDI:EX(Terry.Harrison@gov.bc.ca)  
**To:** Bailey, Brenda JEDI:EX (Brenda.Bailey@gov.bc.ca)  
**Subject:** RE: To circulate to Ministers - Responding to BCBC report taking aim at CleanBC  
**Sent:** 10/27/2023 16:54:27  
**Attachments:** OpEd\_BCBCCleanBCAnalysis Olewiler.docx

Yep... here it is. It's scheduled to be published next week.

-t.

**Terry Harrison**  
**Chief of Staff**

*for the Honourable Brenda Bailey, Minister of Jobs, Economic Development and Innovation (JEDI)*

**Cell: 250-883-4811**

*On the lands of the Lekwungen people – the Esquimalt and Songhees Nations.*

---

**From:** Bailey, Brenda JEDI:EX <Brenda.Bailey@gov.bc.ca>  
**Sent:** Friday, October 27, 2023 9:13 AM  
**To:** Harrison, Terry JEDI:EX <Terry.Harrison@gov.bc.ca>  
**Subject:** Re: To circulate to Ministers - Responding to BCBC report taking aim at CleanBC

Hi Terry

I see the notes from Charlie but the letter from Olewiler is not attached. I'd like to read it - can you track it down for me? MBR has read it so I know it's being circulated.

B

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---

**From:** Harrison, Terry JEDI:EX <Terry.Harrison@gov.bc.ca>  
**Sent:** Thursday, October 26, 2023 4:51:25 PM  
**To:** Bailey, Brenda JEDI:EX <Brenda.Bailey@gov.bc.ca>  
**Subject:** FW: To circulate to Ministers - Responding to BCBC report taking aim at CleanBC

Minister,

Please see ENV response below. This issue cuts across many ministries and so is being shared with all the MOs. Let me know if you have any questions or comments.

thx, terry

---

**From:** Brenchley, Charlie ENV:EX <Charlie.Brenchley@gov.bc.ca>  
**Sent:** Thursday, October 26, 2023 4:30 PM  
**To:** PREM MO Chief of Staff's <MOCOS@Victoria1.gov.bc.ca>  
**Subject:** To circulate to Ministers - Responding to BCBC report taking aim at CleanBC

Hi team,

Many of your ministers have asked for some help in setting the record straight on an inaccurate report that BC Business Council published in relation to our CleanBC plan. Could you please share this with them?

An op-ed by Nancy Olewiler should also be published next week and I will be sure to circulate as well.

Thank you all and happy Leg Friday!

Charlie

## Response to BCBC report

### Summary:

- In August, BC Business Council published a report claiming that CleanBC will push B.C.'s economy into recession-like conditions. These claims are incorrect.

### On the report:

s. 13

**Our message:**

s. 13



**Charlie Brenchley (he/him)**

Chief of Staff to the Honourable George Heyman  
Minister of Environment and Climate Change Strategy  
Mobile: (250) 208-0542



**We shouldn't underestimate the economic benefits of climate action in B.C.—nor the costs of inaction**

Nancy Olewiler

Copyright



**From:** Harrison, Terry JEDI:EX(Terry.Harrison@gov.bc.ca)  
**To:** Bailey, Brenda JEDI:EX (Brenda.Bailey@gov.bc.ca)  
**Subject:** FW: Scrum: Heyman - CleanBC defence  
**Sent:** 11/22/2023 01:04:57

FYI...

---

**From:** [tno@gov.bc.ca](mailto:tno@gov.bc.ca) <[tno@gov.bc.ca](mailto:tno@gov.bc.ca)>  
**Sent:** Tuesday, November 21, 2023 3:57 PM  
**Subject:** Scrum: Heyman - CleanBC defence  
Scrum  
Blue curtain - following QP  
21-Nov-2023 15:31

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TNO...

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**From:** Harrison, Terry JEDI:EX(Terry.Harrison@gov.bc.ca)  
**To:** Bailey, Brenda JEDI:EX (Brenda.Bailey@gov.bc.ca)  
**Subject:** Re: BCBC | Request for Short Introductory meeting  
**Sent:** 09/17/2023 16:58:13

On it. You can expect to see it in your calendar in October.

-t.

Terry Harrison,  
Chief of Staff (JEDI)  
Government of BC  
250-883-4811

---

**From:** Bailey, Brenda JEDI:EX <Brenda.Bailey@gov.bc.ca>  
**Sent:** Sunday, September 17, 2023 9:56:29 AM  
**To:** Harrison, Terry JEDI:EX <Terry.Harrison@gov.bc.ca>  
**Subject:** Fwd: BCBC | Request for Short Introductory meeting  
Over to you...

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---

**From:** Nikki Roussanidis <nikki.roussanidis@bccbc.com>  
**Sent:** Friday, September 15, 2023 1:47:25 PM  
**To:** Bailey, Brenda JEDI:EX <Brenda.Bailey@gov.bc.ca>; Minister, JEDI JEDI:EX <JEDI.Minister@gov.bc.ca>  
**Cc:** Gotto, Sarah F EMCR:EX <Sarah.Gotto@gov.bc.ca>; Duncan, Kenton JEDI:EX <Kenton.Duncan@gov.bc.ca>; Nikki Roussanidis <nikki.roussanidis@bccbc.com>  
**Subject:** BCBC | Request for Short Introductory meeting

**[EXTERNAL] This email came from an external source. Only open attachments or links that you are expecting from a known sender.**

Dear Minister Bailey

I trust you had a great summer. I am reaching out on behalf of Laura Jones, BCBC's new President & CEO to see if you have time for a short 15-minute introductory virtual meeting, sometime soon.

Laura would welcome the opportunity to discuss how you could most effectively exchange information and ideas and how to best work together on common issues. She would also like to flag some of our concerns about the impact of OBPS and other proposed policies on BC's economy. We don't want you to be surprised by our questions and feel you should be made aware of them as soon as possible. She can be available early mornings or late afternoons if that is easier from a scheduling perspective. Please have your assistant reach out to me at 604.696.6586, so that we may find a mutually convenient time/date.

I look forward to hearing from your office on this request.

Kind regards,

**Nikki Roussanidis**

Executive Assistant to the President and CEO

---

**Business Council of BC |**

T: Direct: 604-696-6586 | [nikki.roussanidis@bccbc.com](mailto:nikki.roussanidis@bccbc.com) | [www.bccbc.com](http://www.bccbc.com) | [@bizcouncilbc](https://twitter.com/bizcouncilbc)



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**Where Leaders Meet to Unlock BC's Full Potential**

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**From:** Nikki Roussanidis(nikki.roussanidis@bcbc.com)  
**To:** Bailey, Brenda JEDI:EX (Brenda.Bailey@gov.bc.ca); Minister, JEDI JEDI:EX (JEDI.Minister@gov.bc.ca)  
**To:** Gotto, Sarah F EMCR:EX (Sarah.Gotto@gov.bc.ca); Duncan, Kenton JEDI:EX (Kenton.Duncan@gov.bc.ca); Nikki Roussanidis (nikki.roussanidis@bcbc.com)  
**Subject:** BCBC | Request for Short Introductory meeting  
**Sent:** 09/15/2023 20:47:25

**[EXTERNAL] This email came from an external source. Only open attachments or links that you are expecting from a known sender.**

Dear Minister Bailey

I trust you had a great summer. I am reaching out on behalf of Laura Jones, BCBC's new President & CEO to see if you have time for a short 15-minute introductory virtual meeting, sometime soon.

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I look forward to hearing from your office on this request.

Kind regards,

**Nikki Roussanidis**

Executive Assistant to the President and CEO

---

**Business Council of BC |**

T: Direct: 604-696-6586 | [nikki.roussanidis@bcbc.com](mailto:nikki.roussanidis@bcbc.com) | [www.bcbc.com](http://www.bcbc.com) | [@bizcouncilbc](https://twitter.com/bizcouncilbc)



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**From:** Mihlar, Fazil JEDI:EX(Fazil.Mihlar@gov.bc.ca)  
**To:** Bailey, Brenda JEDI:EX (Brenda.Bailey@gov.bc.ca)  
**To:** Harrison, Terry JEDI:EX (Terry.Harrison@gov.bc.ca); Jang, Monica JEDI:EX (Monica.Jang@gov.bc.ca)  
**Subject:** BC growth forecasts  
**Sent:** 08/24/2023 21:42:43  
**Attachments:** BC GDP and Employment Forecast slides August 24 2023.pptx

Minister: FYI. Fazil

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# B.C. Economic Growth Expectations



Financial Institution	Forecast Date	2023 GDP Forecast	2023 BC's Rank	2024 GDP Forecast	2024 BC's Rank
BMO	Aug 18 '23	1.4%	9 <sup>th</sup>	0.7%	T – 7 <sup>th</sup>
CIBC	Aug 15 '23	1.2%	9 <sup>th</sup>	0.5%	T – 8 <sup>th</sup>
National Bank	Aug 1 '23	1.1%	T – 7 <sup>th</sup>	-0.1%	6 <sup>th</sup>
Scotiabank	Jul 20 '23	1.1%	9 <sup>th</sup>	0.9%	T – 5 <sup>th</sup>
TD Bank	Jun 19 '23	1.2%	T – 8 <sup>th</sup>	0.5%	T – 8 <sup>th</sup>
Royal Bank	Jun 8 '23	0.6%	T – 9 <sup>th</sup>	0.5%	9 <sup>th</sup>
AVERAGE		1.1%	9 <sup>th</sup>	0.5%	7 <sup>th</sup>

August 24, 2023

## B.C. Employment Growth Expectations



Financial Institution	Forecast Date	2023 Employment Forecast	2023 BC's Rank	2024 Employment Forecast	2024 BC's Rank
BMO	Aug 18 '23	1.3%	T – 9 <sup>th</sup>	1.2%	5 <sup>th</sup>
CIBC*	Aug 15 '23	n/a		n/a	
National Bank	Aug 1 '23	1.2%	T – 9 <sup>th</sup>	0.1%	T – 6 <sup>h</sup>
Scotiabank	Jul 20 '23	1.3%	T – 9 <sup>th</sup>	1.2%	T – 6 <sup>th</sup>
TD Bank	Jun 19 '23	1.3%	10 <sup>th</sup>	0.3%	T – 5 <sup>th</sup>
Royal Bank	Jun 8 '23	0.8%	10 <sup>th</sup>	0.3%	T – 8 <sup>h</sup>
<b>AVERAGE</b>		<b>1.2%</b>	<b>9<sup>th</sup></b>	<b>0.6%</b>	<b>6<sup>th</sup></b>

\*CIBC only projects unemployment rates

August 24, 2023

**From:** Harrison, Terry JEDI:EX(Terry.Harrison@gov.bc.ca)  
**To:** Bailey, Brenda JEDI:EX (Brenda.Bailey@gov.bc.ca)  
**Subject:** FW: IN BCBC Economic Concerns Modelling Methodology  
**Sent:** 08/21/2023 17:27:17  
**Attachments:** IN BCBC Economic Concerns Modelling Methodology\_V4a.docx

FYI

-t.

---

**From:** McKenzie, Scott GCPE:EX <Scott.1.McKenzie@gov.bc.ca>

**Sent:** Monday, August 21, 2023 8:35 AM

**To:** Harrison, Terry JEDI:EX <Terry.Harrison@gov.bc.ca>; Mihlar, Fazil JEDI:EX <Fazil.Mihlar@gov.bc.ca>

**Cc:** Garnier, Jack JEDI:EX <Jack.Garnier@gov.bc.ca>; Duncan, Kenton JEDI:EX <Kenton.Duncan@gov.bc.ca>

**Subject:** IN BCBC Economic Concerns Modelling Methodology\_V4

Hi both, as requested by MBB on Friday – IN from ENV attached and I've added in a line about the strength of BC's economy.

Thanks,

Scott

Ministry of Environment and Climate Change Strategy, August 10, 2023

***Key Messages for responding to BC Business Council -  
CleanBC economic concerns***

s. 13

s. 13

- B.C.'s GDP growth of 13.7% since 2017 leads all large provinces and our unemployment is among the lowest in Canada, while we are a leader in wage growth.

s. 13

s. 13

- Not all modelled CleanBC policies are finalized. For example, one placeholder transportation policy (which represents the Clean Transportation Action Plan) is responsible for 60% of the modelled GDP impact. s. 13

s. 13

s. 13

- No single modelling tool can capture the complexity of B.C.'s economy and the Navius model is one of several tools used to assess impacts under the CleanBC plan. The purpose of modelling is not to predict the future but to

aid policy makers in analysis and decision making.


**Background:**

The B.C. Business Council has published a critique of the Province's modelling assumptions for CleanBC suggesting it will dampen economic growth and set B.C.'s prosperity back more than a decade. BCBC asserts CleanBC policies will result in significant negative implications for the economy, with a reduction of approximately \$28B from the Province's GDP by 2030. <https://bccbc.com/insights-and-opinions/governments-own-modelling-shows-its-cleanbc-plan-will-dampen-economic-growth-and-set-b-c-s-prosperity-back-more-than-a-decade>

s. 13


Communications Contact: Sonia Lowe  
Program Area Contact: Hilary Hop Wo

250 882-6696  
778 974-3749

**From:** Harrison, Terry JEDI:EX(Terry.Harrison@gov.bc.ca)  
**To:** Bailey, Brenda JEDI:EX (Brenda.Bailey@gov.bc.ca)  
**Subject:** FW: CKNW: Peacock - CleanBC economic impact   
**Sent:** 08/14/2023 16:40:48

Minister,  
Please take a look at this, if you haven't already seen it.  
ENV is working on an issue note on this and will share with us.  
-t.

---

**From:** [tno@gov.bc.ca](mailto:tno@gov.bc.ca) <[tno@gov.bc.ca](mailto:tno@gov.bc.ca)>  
**Sent:** Saturday, August 12, 2023 12:32 PM  
**Subject:** CKNW: Peacock - CleanBC economic impact   
CKNW (Vancouver)  
CKNW Jas Johal  
11-Aug-2023 16:37

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Page 278 of 339

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# CleanBC Information Campaign

FY 2023/24

Advertising & Marketing Services | GCPE



**cleanBC**  
our nature. our power. **our future.**

# Overview

**IN MARKET:** Monday, October 16<sup>th</sup> – Sunday, November 26<sup>th</sup>

## OBJECTIVE

Expand public awareness of government's CleanBC climate plan and show how the government is working with people in British Columbia to take action on climate change.

## TARGET AUDIENCE

British Columbians who are concerned about the effects of climate change and want to know what the government is doing to take action.

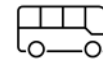
## KEY MESSAGE

CleanBC is helping people in British Columbia take action on climate change

## PAID MEDIA



Television



Out-of-home (Transit shelters)



Online video (YouTube, Connected TV)



Social media (Pinterest)



Digital display ads



Google search ads

# Research



CONDUCTED: June 2022

GCPE and Viewpoints conducted **five online focus groups with BC residents** in late June 2022 to explore their views on climate change and to test advertising concepts for the CleanBC information campaign.

## KEY TAKEAWAYS

Participants looked for a **balance of information and emotion**, with a focus on both the present and the future. They supported a sense of **urgency** about climate change and valued a **connection** to their community investments.



**CleanBC initiatives considered most important:**

- 1 ***Supporting clean energy alternatives***
- 2 ***Strengthening food security***
- 3 ***Securing quality drinking water***
- 4 ***Cleaning and protecting coasts and waterways***



*The concept 'Face-Up' received broad praise for connecting CleanBC investments to communities.*

# CleanBC Information Campaign

The 2023 CleanBC information campaign continues its focus on the people and the projects they're undertaking to help take action on climate change with support from CleanBC. This year, we've made updates to the scripts and introduced a new project that showcases shoreline cleanup activities supported by BC's Clean Coast, Clean Waters initiative.

*Our strength is people. When people in British Columbia come together, we can create a better, more balanced, and cleaner province for today and tomorrow.*



# Media Strategy



## TV

Five weeks starting Oct 16<sup>th</sup>

Province-wide



## Transit Shelter Ads

Six weeks starting Oct 16<sup>th</sup>

Locations throughout the Lower Mainland and Fraser Valley, Victoria, Campbell River, Nanaimo, Kelowna, Penticton and Prince George



## Online Video

Six weeks starting Oct 16<sup>th</sup>

Province-wide on Youtube, Connected TV and programmatic pre-roll on websites and mobile apps



## Social Media

Six weeks starting Oct 16<sup>th</sup>

Province-wide on Pinterest



## Digital Display Ads

Six weeks starting Oct 16<sup>th</sup>

Province-wide on websites and mobile apps



## Google Search Ads

Six weeks starting Oct 16<sup>th</sup>



# Television / Connected TV

Province-wide | Oct 16 – Nov 19 2023

🕒 30s



## VO V1:

*What can we do in the face of climate uncertainty?  
We can come together. We can fight back. CleanBC is  
helping people in British Columbia take action.  
With cleaner water and healthier wildlife habitats.  
A commitment to strengthen BC's food security.  
And coastal restoration and stewardship, helping keep  
communities safe.  
Find out how CleanBC is bringing people together...to  
help protect the place we call home.*

Video link: <https://youtu.be/AX17iW-YPWM>



# Television / Connected TV

Province-wide | Oct 16 – Nov 19 2023

🕒 30s



Video link: <https://youtu.be/Tj79qp6KLqw>

## VO V2:

*What can we do in the face of climate uncertainty?  
We can come together. We can fight back. CleanBC is  
helping people in British Columbia take action.  
With cleaner water and healthier wildlife habitats.  
A path to a low-carbon economy with good, sustainable  
jobs.  
And coastal restoration and stewardship, helping keep  
communities safe.  
Find out how CleanBC is bringing people together...to  
help protect the place we call home.*





CREATIVE

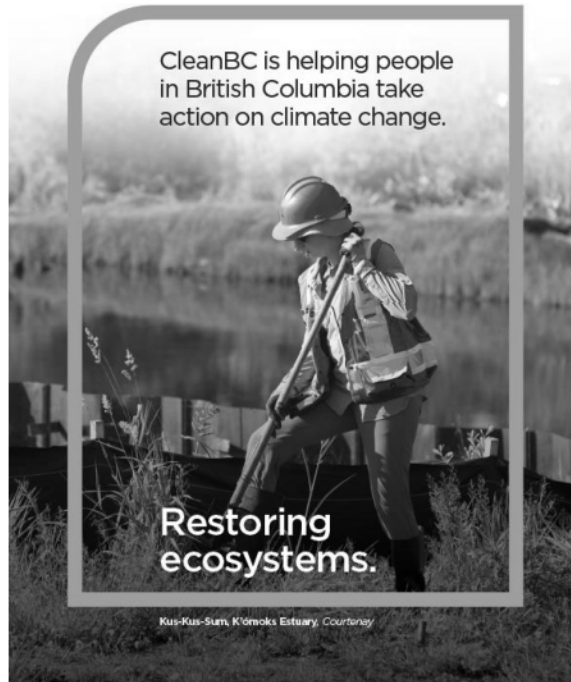
# Transit Shelter Ads

Province-wide | Oct 16 – Nov 26 2023

149 Faces



CleanBC.ca



CleanBC.ca



CleanBC.ca



CleanBC.ca

# Pre-Roll (Online Video)

Province-wide | Oct 16 – Nov 26 2023

🕒 15s

## 4x 15s Videos



### SPOT 1: <https://youtu.be/sOs4TOHor8A>

*What can we do in the face of climate uncertainty?  
We can come together. We can fight back...  
... with a commitment to strengthen BC's food security.  
Find out how CleanBC is bringing people together...  
... to help protect the place we call home.*



### SPOT 2: <https://youtu.be/n7unYAW636o>

*What can we do in the face of climate uncertainty?  
We can come together. We can fight back...  
... with cleaner water and healthier wildlife habitats.  
Find out how CleanBC is bringing people together...  
... to help protect the place we call home.*



# Pre-Roll (Online Video)

Province-wide | Oct 16 – Nov 26 2023

🕒 15s



## SPOT 3: [https://youtu.be/\\_3XgiMKHZg0](https://youtu.be/_3XgiMKHZg0)

*What can we do in the face of climate uncertainty?*

*We can come together. We can fight back...*

*...with coastal restoration and stewardship, helping keep communities safe.*

*Find out how CleanBC is bringing people together...*

*... to help protect the place we call home.*

## SPOT 4: <https://youtu.be/616eS94CFtc>

*What can we do in the face of climate uncertainty?*

*We can come together. We can fight back...*

*... with a path to a low-carbon economy with good, sustainable jobs.*

*Find out how CleanBC is bringing people together...*

*... to help protect the place we call home.*



# Digital Display Ads

Province-wide | Oct 16 – Nov 26 2023

V1:



V2:



V3:



V4:



**cleanBC**  
our nature. our power. our future.

Ministry of Environment and Climate Change Strategy, August 10, 2023

***BC Business Council - CleanBC economic concerns***

s. 13

s. 13

s. 13

- Not all modelled CleanBC policies are finalized. For example, one placeholder transportation policy (which represents the Clean Transportation Action Plan) is responsible for 60% of the modelled GDP impact. s. 13  
s. 13  
s. 13
- No single modelling tool can capture the complexity of B.C.'s economy and the Navius model is one of several tools used to assess impacts under the CleanBC plan. The purpose of modelling is not to predict the future but to aid policy makers in analysis and decision making.

**Background:**

The B.C. Business Council has published a critique of the Province's modelling assumptions for CleanBC suggesting it will dampen economic growth and set B.C.'s prosperity back more than a decade. BCBC asserts CleanBC policies will result in significant negative implications for the economy, with a reduction of approximately \$28B from the Province's GDP by 2030. <https://bcbc.com/insights-and-opinions/governments-own-modelling-shows-its-cleanbc-plan-will-dampen-economic-growth-and-set-b-c-s-prosperity-back-more-than-a-decade>

s. 13

Communications Contact: Sonia Lowe  
Program Area Contact: Hilary Hop Wo

250 882-6696  
778 974-3749

# BC Business Council-CleanBC

## Highlights:

- The report's analysis assumes B.C.—and global—climate action stopped in 2017 and compares CleanBC policies to that scenario. In fact, we have seen unprecedented global action on climate action and clean energy since 2017.
- BCBC's analysis also does not consider the development of new industries that will come from the clean economy.

s. 13





## Economic stats:

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s. 13

- B.C.'s GDP growth since 2017 is the highest in Canada among large provinces (14.4%).
- Our unemployment rate is among the lowest in Canada.
- BC has added 47,300 jobs so far this year, and last month we added 6,600 private sector jobs.
- In 2022, BC gained 62,900 new jobs year-to-year, including 54,700 private sector jobs. *[private sector + self-employed]*

s. 13

- We have the highest credit ratings among provinces and eliminated the operating debt last year.

s. 13

November 20, 2023

Via Email: [ENV.minister@gov.bc.ca](mailto:ENV.minister@gov.bc.ca)

Honourable George Heyman  
Minister of Environment and Climate Change Strategy  
Room 112, Parliament Buildings  
Victoria BC V8W 9E2

Dear Minister:

Thank you for the opportunity to respond to the issues raised in your letter of November 3, 2023 and elsewhere regarding BCBC's understanding of the government's modelling of the economic impacts of the [CleanBC Roadmap to 2030](#) ("CleanBC"). We appreciate how important constructive conversations are to the prosperity of the province. Further, our members are generally supportive of the 2050 targets and are fully engaged in finding solutions. However, as you know, the ambitions for 2030 have us worried, in large part because the timeframe is too short to allow for asset turnover, transition technologies, and enough electrification. As the government's modelling shows, the main mechanism to achieve quick reductions in greenhouse gas (GHG) emissions by 2030 is to substantially downsize the B.C. economy, especially its export and industrial base.

To keep things orderly, we have responded to the issues you raise and included the text from your letter.

In your letter you state:

*"You [BCBC] have asserted that the Province's CleanBC plan will cause the economy to shrink by \$28 billion in 2030 and set prosperity back more than a decade. That assessment appears to be based on some fundamental misunderstandings and misinterpretations of the data that the Province published and it seems to ignore assumptions and caveats that are critical to understanding the results."*

BCBC is not asserting that the Province's CleanBC plan will cause the economy to be \$28.1 billion smaller in 2030 than it otherwise would be in the reference scenario, we are reporting that result from the government's own modelling. The impact is large enough – roughly equivalent to the province's annual health care budget – that we are concerned. We appreciate that the \$28.1 billion loss in GDP is a modelled estimate, and that the actual impact may be higher or lower. However, our concern remains that the magnitude of the potential impact is large. Separate from the model itself, some investors are being advised:

Honourable George Heyman  
November 20, 2023  
Page 2

“...[W]hen applied in combination with these other policies, the financial implications, complexities and regulatory burden **could make further development in the province of British Columbia potentially uneconomic for much of industry.** This is especially the case for operators who can simply shift capital and operations to other jurisdictions such as Alberta or the U.S. In a sense, **we believe these policies could act as an indirect production cap for industry in B.C.**” [emphasis added]

Source: BMO Capital Markets, *Carbon Innovation*, September 5, 2023.

Your letter asserts there are three reasons to downplay the projected negative economic impacts of CleanBC: (1) they are mostly attributable to “placeholder assumptions” in the modelling; (2) there are positive impacts and opportunities from CleanBC missed by the modelling; and (3) there are savings or “avoided costs” from CleanBC missed by the modelling. We understand the caveats and assumptions you raise. We will address these in turn, as well as clarifying our views about provincial economic forecasts, the reference scenario and CleanBC.

1. **Are the negative economic impacts of CleanBC attributable to “placeholder assumptions”?**

We appreciate some policies “under development” may be included in the CleanBC modelling to assess their impact on emissions and GDP. We also appreciate that updates and revisions to the results may follow as policies are finalized. However, this misses the larger point. The current results indicate the trade off the government has in mind: to achieve quick reductions in GHG emissions over the next six years by significantly shrinking B.C.’s economy.

Your letter states:

*“the Roadmap commitment to develop a Clean Transportation Action Plan (CTAP), which increases active and public transportation use and reduces light duty vehicle kilometers travelled, accounts for almost 60 percent of the economic impacts described in the 2022 Provincial Forecast on which you based your analysis.”*

and

*“...we chose to model a placeholder policy that significantly overestimated potential economic impacts...”*

We have read the [modelling results](#) and “[Modelling CleanBC: 2022 Methodology Report](#).” We cannot find any reference to a “placeholder assumption” having a disproportionately large impact on the projected reduction in GDP. The best we can find is a vague footnote in cell B47 at the bottom of the 7<sup>th</sup> worksheet (“GDP\_CBC”) of the [modelling results](#) which states: “The GDP projection under CleanBC is significantly affected by policies still being designed and may be different in future modelling.” We do not feel this footnote provides sufficient comfort to dismiss our concerns about the modelling’s central findings.

Of the projected \$28.1 billion reduction in GDP in 2030 under CleanBC compared to the reference scenario, the transportation sub-sectors (transit, air, truck, rail, other transport) each account for between 0.8% and 3.5% of the reduction in GDP. In total, the shrinking of the transportation sector accounts for 12.4% of the projected reduction in provincial GDP.

Honourable George Heyman  
November 20, 2023  
Page 3

Moreover, 60% of \$28.1 billion is almost \$17 billion, an amount larger than all the transportation sub-sectors and nearly equal to the entire transportation sector. Thus, we are struggling to understand how a placeholder assumption on transportation could account for this and would welcome an opportunity to understand this further.

**2. Are there economic opportunities missed by the modelling – and enough to offset the GDP losses?**

Your letter states:

*“...[T]he global transition to a low carbon future presents many opportunities for businesses in B.C., the majority of which are not captured in the modelling. The development of new or expanded industries, for example related to critical minerals, clean energy and new clean technology development in B.C., is an obvious one that comes to mind, and which was not acknowledged by your analysis.”*

You made similar comments in B.C.’s Legislative Assembly on Tuesday, October 31, 2023 (per [Hansard](#)):

*“If this House is serious about climate action, this House and the opposition need to realize that not only do we need to lower emissions, not only do we need a climate plan, but **we cannot afford to miss the economic opportunities in clean energy and clean technology, none of which was factored into the statistics that BCBC offered British Columbians. It’s misleading, it’s wrong, and it’s not helpful.**”* [emphasis added]

We have been unable to find support for these statements in the [methodology report](#). Nowhere does the report suggest that uncertainty about the future energy economy should be taken to mean there are large, unambiguously positive economic gains for B.C. that are missing from the modelling *and can be assumed to negate its findings*. The report only indicates that there is uncertainty about the future, of whatever magnitude or direction. Again, we would welcome the opportunity to understand the economic gains that are missing from the government’s modelling and how they affect the results.

We find it hard to believe there is least \$28.1 billion of GDP in 2030 to be gained from “economic opportunities” that are missing from the model and sufficient to overcome the GDP losses that are predicted by the model. Indeed, the modellers express strong confidence in their results (page 20):

*“The uncertainties in modelling mean that all models will err in their forecasts of the future. However, some models are more correct than others. The analysis of CleanBC employs highly sophisticated models that provide powerful insights into the effects of the plan.”*

We note that the electricity sector currently accounts for 1.1% of provincial GDP, while the environmental and clean technology sector accounts for about 2.1% of GDP, based on [Statistics Canada Table 36-10-0645-01](#). The CleanBC modelling uses different sectoral breakdowns, but it is the orders of magnitude that we wish to emphasize. Contrary to your statement in the legislature, the modelling *does* include a 14% expansion for the “electricity generation and distribution” sector by 2030 under CleanBC relative to the reference scenario. Even if there are opportunities in clean technology that are missing from the modelling,

Honourable George Heyman  
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Page 4

spectacular growth in that sector, being only about 2% of B.C.'s economy, would not be sufficient to overcome the massive GDP reductions predicted for the rest of the economy.

While it is true that there are opportunities for B.C. in expanding critical minerals mining and exports, they arise from the evolution of the *global* energy system and B.C.'s endowment of natural resources. These opportunities arise with or without CleanBC. In fact, the modelling predicts that output in B.C.'s mining sector will shrink by 9% by 2030 under CleanBC relative to the reference scenario. A smaller mining sector under CleanBC seems at odds with the claim that B.C. will be *better* placed to take advantage of critical minerals opportunities that may or may not be missing from the model.

### 3. Does CleanBC mean the province can avoid budgeting for the costs of extreme weather events?

Your letter states:

*Additionally, you do not factor the considerable costs to the province and to industry in remediating climate change induced damages at multiple levels.*

We recognize there are costs of infrastructure adaptation and damages from extreme weather events, but these costs would be incurred even if B.C.'s GHG emissions were, hypothetically, reduced to zero. Nowhere in the methodology report do the modellers suggest CleanBC will independently alter the pace of change in the global climate – leading to cost savings for the provincial budget and industry in respect of “remediating climate change induced damages at multiple levels” – that are missing from the modelling. We do not believe it is credible to suggest that implementing CleanBC would allow B.C. to avoid budgeting for the costs of extreme weather events or of making infrastructure more resilient.

B.C.'s emissions are 0.19% of global GHG emissions. This is not to say that we should not manage our emissions, but rather recognizing the reality that 99.81% of global GHG emissions currently occur outside B.C. In 2030, we estimate that 99.71% to 99.88% of global emissions will still occur outside B.C. The reality is that B.C. must budget to improve infrastructure resiliency and repair damage from extreme weather events regardless of CleanBC. Indeed, it would be reckless not to do so.

### Interpretation of provincial economic forecasts, reference scenario and CleanBC scenario

You raise the issue as to how to reconcile the provincial economic forecasts, the reference scenario, and the CleanBC scenario. We agree that the provincial forecast is not the same as the reference scenario and that the two sets of forecasts are “prepared using different methods and assumptions and are being used for different purposes.” We will clarify these nuances here and in our public commentary.

The government's [First Quarterly Update](#) (Table 2.6.1) shows that British Columbians *already* face the prospect of a lost decade for prosperity. B.C.'s real GDP per capita is expected to fall by 2.0% per annum over 2023 and 2024, from an estimated \$54,772 in 2022 to \$52,586 in 2024. An insipid recovery is expected over 2025-27. By 2027, real GDP per capita is expected to be \$53,480, which is below its pre-pandemic level in 2019. In other words, the economic pie is already shrinking.

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Against this very weak backdrop, the government intends to implement CleanBC, which is projected to have a deeply negative economic impact relative to the reference scenario (described below). We expect future updates of the provincial economic forecasts will gradually be revised down as CleanBC is implemented and its negative effects become apparent.

We note that in B.C.'s Legislative Assembly on Tuesday, October 31, 2023 (per [Hansard](#)) you stated:

*"The comparison in the CleanBC documents were of the **CleanBC plan against no climate plan whatsoever, which is what existed in 2017**, prior to a change in government."* [emphasis added]

That is not correct. According to the [methodology report](#) (pages 62-67), the reference scenario is not a "no climate plan whatsoever" scenario. The reference scenario includes four multi-sector climate-related policies implemented or announced as of July 2017:

1. a carbon tax of \$30/tonne;
2. a revenue neutrality principle by which carbon tax revenues are returned to taxpayers as lower personal income taxes, lower corporate income taxes, and direct rebates;
3. a 2010 clean energy mandate which requires at least 93% of provincial electricity generation be provided by clean or renewable energy sources; and
4. a reduction in hydrofluorocarbons relative to 2015 levels by 10% in 2020, 40% in 2025 and 70% in 2030.

In addition, the reference scenario includes ten provincial and federal, industry-specific, climate-related policies implemented or announced as of July 2017:

5. incentives of \$27 million to encourage emissions reductions in the concrete industry;
6. incentives of \$40m over 2016-20 for purchases of low- and zero-emission vehicles;
7. a Low Carbon Fuel Standard (first implemented in 2008), with minimum renewable fuel content for gasoline and diesel, and a decrease in the average life cycle emissions intensity of transport fuels relative to 2010 levels of 9.1% by 2020 and 10% by 2030;
8. light duty vehicle emissions standards of 200g/km in 2015, falling to 167g/km by 2025 and 133g/km by 2030;
9. new heavy vehicle emissions standards from 2014, with new vehicle emissions from 2018 model-year vehicles reduced by 10%;
10. a PST exemption on electricity for all end-users (to be revised in future modelling);
11. federal energy efficiency regulations for new space conditioning equipment, water heaters, household appliances and lighting products;
12. energy efficiency measures in the B.C. Building Code 2012 with amendments to April 2017;
13. a target of 30% diversion by 2025 of organic municipal, agricultural and industrial waste from municipal landfills;
14. provincial regulations for landfills emitting greater than 1,000kt of methane, with a goal of ensuring that by 2020 at least 40% of the gases are collected and used or flared.

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In closing, we appreciate your willingness to improve the government's communications about the economic impacts of CleanBC. We remain concerned that CleanBC is likely to have a deeply negative impact on young people hoping to build a future in this province, families already struggling to make ends meet, rural and regional communities, Indigenous communities eager to pursue economic development, people working in export industries and supporting sectors, and people who rely on a strong tax base to fund public services and supports.

We support environmental objectives and believe a strong economy and environmental stewardship, including emissions management, should go hand-in-hand. However, timeframes matter. Not allowing enough time for asset turnover and technological innovation to play a meaningful role is causing the current plan to rely heavily on contracting the economy to achieve quick reductions in emissions. We do not believe these economic impacts have been adequately communicated. Whereas the transition to the harmonized sales tax (HST) sparked substantial public debate and a 2011 referendum, CleanBC's economic impact will be orders of magnitude greater – and negative – and yet it has attracted almost no public discussion.

B.C. is a global leader in managing emissions, having been the first jurisdiction in North America to introduce a government-mandated price on emissions in 2008. The carbon tax was introduced on a revenue neutral basis with the revenues returned to taxpayers via lower personal taxes, business taxes and rebates. The Low Carbon Fuels Standard (LCFS) was implemented the same year. Many of B.C.'s companies have led the way by making investments to reduce emissions in their operations and are aligned with the Paris Agreement goals around reducing global emissions. Thanks to past investments in hydroelectricity, British Columbia's goods and services are some of the lowest emissions-intensive available compared with products from peer jurisdictions. B.C.'s exports, including energy, can help the world achieve its global emissions targets.

The province has much to be proud of and it can and should support the ongoing evolution of the global energy system, but not at any price.

Yours sincerely,

  
Ken Peacock  
Senior Vice President and Chief Economist  
David Williams, DPhil  
Vice President of Policy

cc: Hon. David Eby, Premier  
Hon. Katrine Conroy, Minister of Finance  
Hon. Bruce Ralston, Minister of Forests  
Hon. Brenda Bailey, Minister of Jobs, Economic Development and Innovation  
Hon. Josie Osborne, Minister of Energy, Mines and Low Carbon Innovation  
Shannon Salter, Deputy Minister to the Premier  
Doug Caul, Deputy Minister, Office of the Premier  
Heather Wood, Deputy Minister of Finance  
Kevin Jardine, Deputy Minister, Ministry of Environment and Climate Change Strategy  
Shannon Baskerville, Deputy Minister, Ministry of Energy, Mines and Low Carbon Innovation  
Richard Manwaring, Deputy Minister of Forests  
Jessica Prince, Assistant Deputy Minister, Office of the Premier  
Chris Rathbone, Assistant Deputy Minister, Ministry of Jobs, Economic Development and Innovation



**From:** Lesiuk, Tim JEDI:EX(Tim.Lesiuk@gov.bc.ca)  
McAndrews, Caroline GCPE:EX (Caroline.McAndrews@gov.bc.ca); Mihlar, Fazil  
**To:** JEDI:EX (Fazil.Mihlar@gov.bc.ca); Harrison, Terry JEDI:EX  
(Terry.Harrison@gov.bc.ca); Garnier, Jack JEDI:EX (Jack.Garnier@gov.bc.ca)  
**To:** Soukoreff, Angela GCPE:EX (Angela.Soukoreff@gov.bc.ca)  
**Subject:** RE: clean jobs [in response to BCBC messaging]  
**Sent:** 11/10/2023 16:14:29  
**Attachments:** CleanBC Modelling - KMs for DMs\_v3.docx, 403150 - Info Note - BCBC\_2023-08-15.docx

Jeremy Hewitt sent me this Note and KMs. I believe both are still draft. Caroline, are you able to check if there are updated KMs from ENV?

tim

---

**From:** McAndrews, Caroline GCPE:EX <Caroline.McAndrews@gov.bc.ca>

**Sent:** Friday, November 10, 2023 7:32 AM

**To:** Mihlar, Fazil JEDI:EX <Fazil.Mihlar@gov.bc.ca>; Lesiuk, Tim JEDI:EX <Tim.Lesiuk@gov.bc.ca>; Harrison, Terry JEDI:EX <Terry.Harrison@gov.bc.ca>; Garnier, Jack JEDI:EX <Jack.Garnier@gov.bc.ca>

**Cc:** Soukoreff, Angela GCPE:EX <Angela.Soukoreff@gov.bc.ca>

**Subject:** clean jobs

Just flagging this Media Request that went to environment late yesterday, it's still with their MO.

We will need some cross ministry coordination going forward and I'll connect with Matt at Env to get them to share their response prior to going back to the reporter.

Scott is over there now but technically on hols today.

C

**Business in Vancouver (Hayley Woodin)** - I'd like to request an interview with Minister Heyman regarding the economic impact of the province's CleanBC plan.

As the Ministry is likely aware, we have carried two columns from the Business Council of British Columbia, who have publicly raised concerns about the economic consequences of the plan. We have also carried a column by Dr. Nancy Olewiler, which examined the positive economic growth and opportunities that will result from CleanBC.

I would like to speak to the Minister on record about some of the commentary surrounding CleanBC, as well as what this plan will mean for British Columbia's economy.

I'm available any time tomorrow (Wednesday) or Thursday; Friday (before 10 a.m. or between 11:30-12:30); next Wednesday, Nov. 15 (anytime) or next Friday, Nov. 17 (anytime).

**Caroline McAndrews**

Communications Director

Ministry of Jobs, Economic Development and Innovation

C: 250 208 3254 | [caroline.mcandrews@gov.bc.ca](mailto:caroline.mcandrews@gov.bc.ca)

*Grateful to be living, learning and working on the traditional territory of the Lekwungen peoples.*



## INFORMATION NOTE

**DATE:** August 15, 2023

**PREPARED FOR:** Honourable George Heyman, Minister of Environment and Climate Change Strategy

**ISSUE:** CAS commentary on the Business Council of B.C. (BCBC)'s assessment of economic impacts under CleanBC

### KEY FACTS:

s. 13

- The CleanBC GDP forecast is heavily impacted by policies under development. In particular, the simplified representation of the Clean Transportation Action Plan (CTAP) is responsible for 60 percent of the modelled GDP impact. s. 13  
s. 13
- The CleanBC modelling is intended to provide insights into the climate policy pathway that B.C. is pursuing but is not intended to be a prediction of the future or to be compared against other economic forecasts. The results should be interpreted with a thorough understanding of the assumptions made and the limitations of the model.
- s. 13

### BACKGROUND:

- BCBC has published a critique of the Province's CleanBC plan, suggesting that the climate plan will result in \$28B in foregone GDP growth in 2030 and lead to declines in real per capita income.
- The Province's modelling of the CleanBC plan assesses the impact of climate commitments made in the *Roadmap to 2030*, including policies that are yet to be developed. The modelled CleanBC scenario is compared against a modelled counterfactual reference scenario, which does not include any CleanBC policies.
  - It is important to recognize that the reference scenario is a counterfactual used for policy analysis, but it cannot exist in the real world because many CleanBC policies have already been implemented and because a scenario where B.C. does not take climate action is incompatible with the Province's GHG reduction goals.
- One placeholder transportation policy (which represents the CTAP) is responsible for 60% of the modelled GDP impact in 2030. It is modelled as a simple cap on vehicle kilometers

travelled in the absence of a full policy design s. 13

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- The Province relies on Navius Research to complete the CleanBC modelling. Navius' model is a sophisticated computable general equilibrium model that can assess climate policy impacts on greenhouse gas emissions, the broader economy, energy consumption and technology adoption. Like any analytical tool, it cannot completely capture the complexity of B.C.'s open economy or predict the future.
  - This type of modelling won't account for the benefits of new economic opportunities that emerge in B.C. as a result of the CleanBC plan. It also will not account for the economic benefits (or avoided costs) of limiting climate change impacts in B.C. These unknowns cannot be adequately assessed with modelling.

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## DISCUSSION:

### *CleanBC GDP Data*

The Provincial Forecast of Emissions and accompanying CleanBC Modelling Methodology Report is released annually by the Climate Action Secretariat as a transparency measure. The 2022 data (used in the BCBC analysis) reflects the first annual update since modelling was completed for the *Roadmap* in 2021. By making the modelling results and methodology available, the Province invites third-party analysis.

The GDP projection in the Provincial Forecast is accompanied by a footnote stating that the "projection under CleanBC is significantly impacted by policies still being designed and may be different in future modelling." This footnote is not acknowledged in the BCBC analysis. Because many CleanBC policies are not yet finalized, simplified modelling assumptions are at times used in their representation. This is most evident when considering the commitment to reduce light duty vehicle kilometers travelled by 25 percent through the CTAP. Over 60 percent of the difference between reference case and CleanBC GDP can be attributed to the simplified representation of this intended outcome. When removing this outcome, GDP under the CleanBC scenario is only 3 percent lower (\$9B) than under the reference scenario, which speaks to the general uncertainty with which these GDP results should be considered.

### *CleanBC Modelling Assumptions*

Crucial to interpreting the CleanBC GDP results is an understanding of the assumptions used in the modelling. For economic growth, the model is calibrated to the GDP growth forecast provided in *Budget 2022* for the period 2020-2025, which reflects average annual GDP growth of 2.4 percent. However, from 2025-2030 GDP growth is calibrated to a forecast from the Parliamentary Budget Officer (PBO), which reflects a conservative annual average growth forecast of 1.3 percent. The reason the PBO's forecast was used is simply that the GDP growth forecast in *Budget 2022* is a short-term forecast that only extends five years into the future. If instead, the modelling had assumed that the Budget 2022 short-term forecast was extended out to 2030 then this would have resulted in Reference case GDP growth more closely aligned with the historical average. GDP growth in the modelling is heavily affected by this assumption rather than solely being driven by climate policy impacts, as BCBC suggests.

### *Purpose of Modelling*

Energy economy modelling, the type of modelling done for CleanBC, is complex and easily misunderstood. The CleanBC modelling is intended to provide insights into the climate policy pathway that B.C. is pursuing but is neither intended as a prediction of the future, nor is it intended to be directly compared against other forecasts (like those found in the *Budget* documents) because of differing assumptions, forecasting methods, and forecasting purposes. The CleanBC modelling can aid policy makers and the public in understanding the trade-offs that accompany any credible plan to reduce emissions, but it is not to be interpreted without an understanding of the assumptions and limitations, which are provided in the CleanBC Modelling Methodology Report. There is both parametric and structural uncertainty present in this analysis that is difficult to quantify, and the results are highly sensitive to assumptions on discount rates, economic growth, energy prices, and technology cost changes. B.C.'s economy is likely to evolve over the remainder of the decade and the CleanBC modelling cannot fully account for all potential changes in economic activity.

s. 13

**Assistant Deputy Minister:**

Jeremy Hewitt  
Climate Action Secretariat  
Jeremy.Hewitt@gov.bc.ca

**Alternate contact for content:**

Hilary Hop Wo, Director  
Economics & Analysis  
Hilary.HopWo@gov.bc.ca

**Prepared by:**

Dan Dale, Ryan Kadowaki  
Economics & Analysis  
Daniel.Dale@gov.bc.ca

## Appendix 1

s. 13

# Key Messages for DMs on CleanBC Modelling

## Background on Climate Modelling

- CleanBC's set of policies demonstrate a pathway to achieving legislated climate targets in B.C., using a world-class climate/economy model, gTech, to forecast likely outcomes of these policies. This model is one of the most sophisticated available and is used by many jurisdictions across Canada and around the world.
- Models create a simplified representation of possible future states, based on the data and assumptions that are inputted into the model, such as historical emissions, policy design, economic conditions and growth, energy prices, etc.
- Models are not able to account for every factor that may happen (e.g., a global pandemic, war, etc.). They also do not account for new technologies that are not already in the market, or new industries that may grow to serve the demand for clean solutions.
- CleanBC modelling does not account for the economic benefits of reducing greenhouse gas emissions, nor does it account for the cost of climate inaction like continued wildfires, extreme weather, drought, etc. This is normal for modelling of this type.
- Since 2018, there have been hundreds of different CleanBC model 'runs' to look at the impact of different policy designs and combinations of policies, and to test different factors outside our control. This helps us to understand which factors are most important, where there may be unintended consequences or trade-offs, and how changes to policies may lead to different outcomes.
- Models are a policy development tool rather than a predictor of the future. Model runs can provide useful insights, but they represent one possible version of the future and cannot precisely predict specific future outcomes that are influenced by a wide range of factors.
- Additionally, some CleanBC policies are still under development. Until their policy design is finalized, the modelling of these policies is based on assumptions of the policy design. This increases the uncertainty associated with those results.
- Model results will change annually as updated data and refined policy assumptions are incorporated.

## Specific responses to concerns raised regarding economic growth in CleanBC modelling

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- Regarding GDP growth represented within the gTech model, this is based on the conservative annual growth assumption of 1.3% from the Parliamentary Budget Officer forecast for 2025-2030. The forecast for GDP growth in CleanBC modelling is heavily affected by this assumption. Climate policy impacts also play a role, but most of the economic impacts associated with climate policy can be traced to policies with details still under development that have been modelled using very simple interim designs.

**From:** Brenchley, Charlie ENV:EX(Charlie.Brenchley@gov.bc.ca)  
**To:** Harrison, Terry JEDI:EX (Terry.Harrison@gov.bc.ca)  
**Subject:** RE: To circulate to Ministers - Responding to BCBC report taking aim at CleanBC  
**Sent:** 10/26/2023 23:57:36  
**Attachments:** OpEd\_BCBCCleanBCAnalysis Olewiler.docx

Thanks! Worked on it with a few people.

See attached. I wouldn't share widely as it is has yet to actually be published but I think you'd be good to share with Minister Bailey too.

C

---

**From:** Harrison, Terry JEDI:EX <Terry.Harrison@gov.bc.ca>  
**Sent:** Thursday, October 26, 2023 4:56 PM  
**To:** Brenchley, Charlie ENV:EX <Charlie.Brenchley@gov.bc.ca>  
**Subject:** RE: To circulate to Ministers - Responding to BCBC report taking aim at CleanBC

Charlie,

This is a great response. I just forwarded it to Bailey.

s. 13

Can't wait to read the Op-Ed.

thx, terry

**Terry Harrison**

**Chief of Staff**

*for the Honourable Brenda Bailey, Minister of Jobs, Economic Development and Innovation (JEDI)*

**Cell: 250-883-4811**

*On the lands of the Lekwungen people – the Esquimalt and Songhees Nations.*

---

**From:** Brenchley, Charlie ENV:EX <Charlie.Brenchley@gov.bc.ca>  
**Sent:** Thursday, October 26, 2023 4:31 PM  
**To:** Harrison, Terry JEDI:EX <Terry.Harrison@gov.bc.ca>  
**Subject:** FW: To circulate to Ministers - Responding to BCBC report taking aim at CleanBC

Hi Terry,

I know that MBB in particular is eager to get this.

Thanks for sharing!

C

---

**From:** Brenchley, Charlie ENV:EX <Charlie.Brenchley@gov.bc.ca>  
**Sent:** Thursday, October 26, 2023 4:30 PM  
**To:** PREM MO Chief of Staff's <MOCOS@Victoria1.gov.bc.ca>  
**Subject:** To circulate to Ministers - Responding to BCBC report taking aim at CleanBC

Hi team,

Many of your ministers have asked for some help in setting the record straight on an inaccurate report that BC Business Council published in relation to our CleanBC plan. Could you please share this with them?

An op-ed by Nancy Olewiler should also be published next week and I will be sure to circulate as well.

Thank you all and happy Leg Friday!

Charlie

## Response to BCBC report

### Summary:

- In August, BC Business Council published a report claiming that CleanBC will push B.C.'s economy into recession-like conditions. These claims are incorrect.

### On the report:



**Our message:**

s. 13



**Charlie Brenchley (he/him)**

Chief of Staff to the Honourable George Heyman  
Minister of Environment and Climate Change Strategy  
Mobile: (250) 208-0542

**We shouldn't underestimate the economic benefits of climate action in B.C.—nor the costs of inaction**

Nancy Olewiler

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**From:** Harrison, Terry JEDI:EX(Terry.Harrison@gov.bc.ca)  
**To:** Peters, Eric PSFS:EX (Eric.Peters@gov.bc.ca)  
**Subject:** Responding to BCBC report taking aim at CleanBC  
**Sent:** 11/20/2023 21:15:43  
**Attachments:** OpEd\_BCBCCleanBCAnalysis Olewiler.docx

Hey Eric,

I understand that MSR is making a Labour Market Outlook announcement later this week, and it's being held at BCBC's offices.

I just wanted to flag, FYI, that there's been public discourse between BCBC and Government recently in which we challenged the accuracy of a report they published re CleanBC. See details below (and attached).

I don't think this is a reason not to hold your event at their location, but I did want to make sure you were aware of this ongoing conversation.

thx, terry

**Terry Harrison**  
**Chief of Staff**

*for the Honourable Brenda Bailey, Minister of Jobs, Economic Development and Innovation (JEDI)*

**Cell: 250-883-4811**

*On the lands of the Lekwungen people – the Esquimalt and Songhees Nations.*

---

**From:** Brenchley, Charlie ENV:EX <Charlie.Brenchley@gov.bc.ca>

**Sent:** Tuesday, October 31, 2023 11:29 AM

**To:** PREM MO Chief of Staff's <MOCOS@Victoria1.gov.bc.ca>

**Subject:** Update - RE: To circulate to Ministers - Responding to BCBC report taking aim at CleanBC

Hi folks,

Following up confirming that Nancy Olewiler's piece (as referenced in QP today) was published yesterday. Some really great points that all Ministers should have. Thanks for sharing and/or printing.

<https://biv.com/article/2023/10/we-shouldnt-underestimate-economic-benefits-climate-action-bc>

I will also be circulating to all of caucus.

Happy Halloween!

Charlie

---

**From:** Brenchley, Charlie ENV:EX

**Sent:** Thursday, October 26, 2023 4:30 PM

**To:** PREM MO Chief of Staff's <MOCOS@Victoria1.gov.bc.ca>

**Subject:** To circulate to Ministers - Responding to BCBC report taking aim at CleanBC

Hi team,

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**Our message:**

s. 13



**Charlie Brenchley (he/him)**

Chief of Staff to the Honourable George Heyman  
Minister of Environment and Climate Change Strategy  
Mobile: (250) 208-0542

**We shouldn't underestimate the economic benefits of climate action in B.C.—nor the costs of inaction**

Nancy Olewiler

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**From:** McAndrews, Caroline GCPE:EX(Caroline.McAndrews@gov.bc.ca)  
Mihlar, Fazil JEDI:EX (Fazil.Mihlar@gov.bc.ca); Lesiuk, Tim JEDI:EX  
**To:** (Tim.Lesiuk@gov.bc.ca); Harrison, Terry JEDI:EX (Terry.Harrison@gov.bc.ca); Garnier, Jack JEDI:EX (Jack.Garnier@gov.bc.ca)  
**To:** Soukoreff, Angela GCPE:EX (Angela.Soukoreff@gov.bc.ca)  
**Subject:** clean jobs  
**Sent:** 11/10/2023 15:31:48

Just flagging this Media Request that went to environment late yesterday, it's still with their MO. We will need some cross ministry coordination going forward and I'll connect with Matt at Env to get them to share their response prior to going back to the reporter. Scott is over there now but technically on hols today.

C

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**Caroline McAndrews**

Communications Director


Ministry of Jobs, Economic Development and Innovation

C: 250 208 3254 | [caroline.mcandrews@gov.bc.ca](mailto:caroline.mcandrews@gov.bc.ca)

*Grateful to be living, learning and working on the traditional territory of the Lekwungen peoples*

**From:** Duncan, Kenton JEDI:EX(Kenton.Duncan@gov.bc.ca)  
**To:** McVicar, Niki JEDI:EX (Niki.McVicar@gov.bc.ca)  
**Subject:** (FOI Feb 6th 2024): CKNW: Peacock - CleanBC economic impact   
**Sent:** 02/06/2024 22:52:37  
**Attachments:** IN BCBC Economic Concerns Modelling Methodology\_V4.docx

---

**From:** McKenzie, Scott GCPE:EX <Scott.1.McKenzie@gov.bc.ca>  
**Sent:** Thursday, August 17, 2023 12:54 PM  
**To:** Harrison, Terry JEDI:EX <Terry.Harrison@gov.bc.ca>  
**Cc:** Spilker, Robyn GCPE:EX <Robyn.Spilker@gov.bc.ca>; Duncan, Kenton JEDI:EX <Kenton.Duncan@gov.bc.ca>  
**Subject:** RE: CKNW: Peacock - CleanBC economic impact   
Hi Terry, IN attached from Environment here. Will save this down under "other ministries" in the binder.

s. 13

Thanks,  
Scott

---

**From:** Harrison, Terry JEDI:EX <Terry.Harrison@gov.bc.ca>  
**Sent:** Monday, August 14, 2023 9:43 AM  
**To:** McKenzie, Scott GCPE:EX <Scott.1.McKenzie@gov.bc.ca>  
**Cc:** Spilker, Robyn GCPE:EX <Robyn.Spilker@gov.bc.ca>; Duncan, Kenton JEDI:EX <Kenton.Duncan@gov.bc.ca>  
**Subject:** RE: CKNW: Peacock - CleanBC economic impact 

Thanks Scott,  
I'm eager to see the ENV IN... please flag it for me when it comes in.

thx, terry


**Terry Harrison**  
**Chief of Staff**

*for the Honourable Brenda Bailey, Minister of Jobs, Economic Development and Innovation*


**Cell: 250-883-4811**

*On the lands of the Lekwungen people – the Esquimalt and Songhees Nations.*

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**From:** McKenzie, Scott GCPE:EX <Scott.1.McKenzie@gov.bc.ca>  
**Sent:** Monday, August 14, 2023 8:32 AM  
**To:** Harrison, Terry JEDI:EX <Terry.Harrison@gov.bc.ca>; Strongwind, Katherine JEDI:EX <Katherine.Strongwind@gov.bc.ca>; Barzegari, Honieh JEDI:EX <Honieh.Barzegari@gov.bc.ca>; Azar, Farid JEDI:EX <Farid.Azar@gov.bc.ca>; Duncan, Kenton JEDI:EX <Kenton.Duncan@gov.bc.ca>  
**Cc:** Spilker, Robyn GCPE:EX <Robyn.Spilker@gov.bc.ca>  
**Subject:** FW: CKNW: Peacock - CleanBC economic impact   
Good morning, heads up, ENV is working on an issue note on this and will share with us as well.

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**From:** tno@gov.bc.ca <tno@gov.bc.ca>  
**Sent:** Saturday, August 12, 2023 12:32 PM  
**Subject:** CKNW: Peacock - CleanBC economic impact   
CKNW (Vancouver)  
CKNW Jas Johal  
11-Aug-2023 16:37

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